British Columbia Utilities Commission

2006/07 Annual Report

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Vancouver, BC
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To the Lieutenant Governor in Council

MAY IT PLEASE YOUR HONOUR:

Pursuant to the Utilities Commission Act and the Budget Transparency and Accountability Act, I respectfully submit this Report on the activities of the British Columbia Utilities Commission for the fiscal year 2006/07

Section 13 of the Utilities Commission Act requires the Commission to submit a report to the Lieutenant Governor in Council for the preceding fiscal year, setting out briefly all applications and complaints, summarizing Commission findings, and reporting on other matters considered in the public interest. Consistent with the Budget Transparency and Accountability Act, the reporting timeframe is for the fiscal year.

Robert Hobbs

ROBERT H. HOBBS
Chair and Chief Executive Officer

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Standard Abbreviations & Acronyms

UTILITY/APPLICANT

British Columbia Hydro and Power Authority	BC Hydro
Big White Utility Ltd.	Big White
Cal-Gas Inc.	CalGas
Central Heat Distribution Limited	CHDL
Corix Multi-Utility Services Inc.	Corix
FortisBC Inc.	FortisBC
Hemlock Valley Electrical Services Limited	HVES
Kinder Morgan, Inc.	KMI
Pacific Northern Gas Ltd.	PNG, PNG-West
Pacific Northern Gas (N.E.) Ltd.	PNG (N.E.)
Plateau Pipe Line Ltd.	Plateau
Port Alice Gas Inc.	Port Alice Gas
Princeton Light and Power Company, Limited	PLP
Silversmith Light & Power Corporation	Silversmith
Stargas Utilities Ltd.	Stargas
Sun Peaks Utilities Co., Ltd.	Sun Peaks
Sun Rivers Services Corp.	Sun Rivers
The Corporation of the City of Nelson	City of Nelson
Terasen Gas Inc. (subsidiary of Terasen Inc.)	Terasen, Terasen Gas, TGI
Terasen Gas (Whistler) Inc.	Terasen (Whistler), TGW
Terasen Gas (Vancouver Island) Inc.	Terasen VI, TGVI
Terasen Gas (Squamish) Inc.	Terasen (Squamish)
Terasen Pipelines (Jet Fuel) Inc.	Terasen (Pipelines)
The Yukon Electrical Company Limited	YECL

OTHER

Allowance for Funds Used During Construction	AFUDC
Alternative Dispute Resolution	ADR
Apartment Customer Rates	ACR
Certificate of Public Convenience and Necessity	CPCN
Energy for our Future: A Plan for BC	Energy Plan or Energy Policy
Gas Cost Reconciliation Account	GCRA
Gas Cost Variance Account	GCVA
Independent Power Producers	IPPs
Insurance Corporation of British Columbia	ICBC
Large General Service	LGS
Natural Gas Marketers	NGM
Natural Gas Vehicles	NGV
Negotiated Settlement Process	NSP
Return on Common Equity	ROE
Small General Service	SGS
Utilities Commission Act	the Act, UCA

Organizational Overview

Introduction

The British Columbia Utilities Commission ("the Commission", "BCUC") is a regulatory agency of the Provincial Government, operating under and administering the Utilities Commission Act ("UCA", "the Act"). The Commission's function is quasi-judicial and it has the power to make legally binding rulings. Decisions and Orders of the Commission may be appealed to the Court of Appeal on questions of law or jurisdiction. The Commission's primary responsibility is the regulation of the public utilities under its jurisdiction and, effective August 12, 2003, the regulation of certain aspects of automobile insurance pursuant to the Insurance Corporation Amendment Act. The Administrative Tribunal Act ("ATA") also applies to matters before the Commission.

Through an open and transparent regulatory review process, the Commission ensures that the:

- rates charged for energy are fair, just and reasonable;
- energy utility operations provide safe, adequate and secure service to their customers;
- shareholders of public utilities under its jurisdiction are afforded a reasonable opportunity to earn a fair return on their invested capital;
- Insurance Corporation of British Columbia ("ICBC") universal compulsory automobile insurance is adequate, efficient, just and reasonable; and
- ICBC optional insurance is not subsidized by other ICBC operations.

The Commission also reviews energy-related and basic insurance matters referred to it by Cabinet. These reviews usually involve public inquiries, followed by a report and recommendations to Cabinet. In addition, under Part 7 of the Pipeline Act, the Commission establishes tolls and conditions of service for intraprovincial oil pipelines. The Commission has responsibilities under the UCA for electricity transmission facilities, energy supply contracts and the issuance of gas marketer licences, matters that are likely to become more active as the reorganization of the energy industry proceeds. The Commission also approves the construction of new facilities planned by energy utilities and their issuance of securities.

The Commission has been self-funded since 1988. Its costs are recovered primarily through a levy on the public utilities it regulates. The work of the Commission is important to the population of BC because the effects of regulation instill a high degree of public confidence that competing interests among monopoly utilities, consumers and other stakeholders are reconciled. Likewise, the effects of regulation send a message to the community beyond British Columbia ("BC") that the province is a safe and fair place to do business.

The Act provides for the appointment of a Chair, one or more Deputy Chairs and Commissioners by the Lieutenant Governor in Council. As of March 2007, there were six part-time Commissioners, two full-time Commissioners and the Chair. There were 20 Commission staff (plus 3 vacant positions), including professional engineers, accountants, economists, and administrative staff. The Commission is located in Vancouver at 900 Howe Street.

Commission staff are organized into an Information Services Group and a Regulatory Affairs and Planning Group. The Information Services Group handles complaints from ratepayers, provides research support, and compiles statistics and information to respond to inquiries from the public. The Regulatory Affairs and Planning Group comprises three functional units: strategic services, rates and finance, and engineering and commodity markets. To effectively deliver and fulfill its core mandate, the Commission has organized its regulatory functions by tasks, utilizing the knowledge of its interdisciplinary teams.

1.1 Vision

To be a respected regulator of public utilities.

1.2 Mission

To exercise our regulatory mandate in a manner that serves the public interest and that is independent, principled and respectful of the interests and resources of all parties.

1.3 Value Statements

The Commission is committed to:

- Ensure arms-length, independent, and accountable regulation of utilities and ICBC.
- Apply regulatory principles, research and industry knowledge to resolve problems concerning public utilities or the regulated portion of automobile insurance.
- Render decisions that are timely, fair, workable and respected.
- Write high quality decisions, reports and publications.
- Communicate effectively and transparently with co-workers, utilities, ratepayers, government and the public.
- Promote learning, innovation, creativity and the achievement of personal and professional goals.

Commission Services

In addition to its regulatory responsibilities, the Commission provides the following services and assistance:

- review ratepayers' complaints about the actions of utilities, ICBC and independent gas marketers;
- provide copies of documentation prepared by the Commission (e.g., Brochures, Guidelines, Orders, Decisions, etc.) at no charge. These documents are also posted and available for download from the Commission's web site: http://www.bcuc.com;
- provide access to the Tariffs of regulated utilities and to the Code of Conduct and Rules for Gas Marketers;
- provide access to information filed in public hearings; and
- respond to requests for general information regarding utilities and ICBC.

Regulatory Functions and Responsibilities

The Commission meets regularly to review utility and ICBC applications, to authorize the issuance of Commission Orders or other directives considered necessary and in the public interest, to review complaints and to conduct other necessary Commission business. The regulatory tasks are carried out using an interdisciplinary team approach. The team assigned to a task is normally composed of specialists from disciplines of engineering, accounting and economics and is advised, as appropriate, by legal counsel and specialist consultants retained by the Commission.

Message from the Chair and Chief Executive Officer

I am pleased to report that the costs, activity levels and application cycle times of the Commission continue to compare favourably with past years, and to report that the BCUC remains among the most efficient economic regulators in North America. I am also pleased to report that the British Columbia Utilities Commission continues to achieve its key goals which are to:

- ensure the financial viability of the utilities it regulates;
- maintain and improve public worker safety, and enhance the quality and reliability of utility service;
- maintain and improve customer satisfaction with utility services;
- enhance Provincial competitiveness through non-discriminatory services and containment of cost of service increases;
- develop new policies, procedures and guidelines in order to comply with the Energy Plan and the government's reductions in regulatory commitments; and
- control the cost of regulation which is approximately one cent/GJ of energy sold and approximately one-tenth of one percent of revenues collected by energy utilities.

The provincial government issued the new "BC Energy Plan: A Vision for Clean Energy Leadership" in February, 2007. The BC Energy Plan establishes important objectives and actions that are relevant to matters within the mandate of the Commission. The BC Energy Plan also contemplates a review of the mandate of the Commission.

In July 2006, the Commission approved the Vancouver Island Transmission Reinforcement ("VITR") project. In September 2006, the Commission approved thirty-eight new independent power producer projects. The VITR project review was completed in one year and the new power project review was completed in twenty-one days. Two dramatically different processes that illustrate the need to design regulatory processes unique to each application so as to ensure effective and efficient regulation.

In August 2006, the Commission approved an application of Terasen Gas Inc. for commodity unbundling for residential customers. The Commission has now licensed marketers to sell natural gas directly to commercial and residential customers. The Commission will continue to have a significant role in overseeing marketers, and in hearing customer complaints.

During 2006/07, the Commission continued to regulate the Insurance Corporation of British Columbia and reviewed a revenue requirements application, and the first rate design application for Universal Compulsory Automobile Insurance ("Basic Insurance").

The Commission anticipates that 2007/08 will continue to be challenging with reviews of a new transmission project on Vancouver Island and another transmission project from the interior to the lower mainland. The Commission also anticipates call design applications from BC Hydro that will support electricity self-sufficiency. The Commission expects that it will process and review all these applications and many others in an efficient and timely manner.

During 2006/07, the Commission experienced a dramatic change in human resources with the departure of four regulatory staff. I am pleased to report that the Commission has successfully recruited excellent new staff. However, this past year has highlighted the importance of current and anticipated human resource issues.

In closing, I would like thank all Commission staff and stakeholders who participated in Commission processes in 2006/07.

Robert H. Hobbs
Chair and Chief Executive Officer

The Year in Review

Background

The UCA was amended in 2003 to provide a mandate to the Commission to implement the policy actions of the Province's Energy Plan released on November 25, 2002 (updated on February 27, 2007), and to undertake the regulation of certain aspects of basic automobile insurance. Amendments to Section 45 of the UCA expanded upon and clarified the planning requirements of utilities and the Commission's role to review these plans to determine whether expenditures are in the public interest and whether associated rate changes are necessary and appropriate. Other amendments to the UCA provided the Commission with the authority to license gas marketers in anticipation of unbundling and customer choice for Terasen Gas Inc.'s ("Terasen Gas") customers.

The Commission also began the process of regulating the rates of British Columbia Hydro and Power Authority ("BC Hydro"), and of British Columbia Transmission Corporation ("BCTC"). BCTC is a provincial Crown Corporation which was created by the *Transmission Corporation Act* (SBC 2003, c.44) and began operations on August 1, 2003. BCTC operates, manages, plans and maintains BC Hydro's transmission system. BCTC filed its first tariff application with the BCUC in August 2004. The implementation of regulation for BC Hydro and BCTC continued throughout 2006/07 and will extend through 2007/08.

A summary of the Decisions and Orders issued by the Commission in 2006/07 is found commencing on page 38 of this Annual Report.

Highlights in Operational and Financial Performance

Proceeding Days

The number of proceeding days increased from 108 days in 2005/06 to 123 days in 2006/07 (including hearings, dispute resolution, workshops, pre-hearing conferences, town hall meetings and meetings related to annual reviews of Performance-Based Regulation agreements). There were 78 oral public hearing days in 2006/07, as compared to 61 in 2005/06. There were 16 dispute resolution days in 2006/07 and 29 days dedicated to pre-hearing conferences and workshops.

The number of hearing days is largely the result of a 33-day hearing related to BCTC's Vancouver Island Transmission Reinforcement application. Another significant hearing was held to consider BC Hydro's Integrated Electricity Plan. Shorter hearings included those held to review ICBC's Revenue Requirement application (8 days), BC Hydro/Alcan Inc. supply contracts (5 days) and an application by Marauder Resources West Coast Inc. for common carrier/common processor orders to Canadian Natural Resources Limited and Pioneer Natural Resources Canada Ltd. (2 days).

The Commission's costs in constant dollars decreased substantially from levels established in the early 1990's, until 1998/99 at which time they leveled out. Details and graphs of cost changes between 2005/06 and 2006/07 are included in the section entitled Performance Indicators, beginning on page 60.

Organizational Efficiency and Effectiveness

The number of full-time staff positions at the Commission in 2006/07 remained constant at 23 relative to 2005/06, although staff turnover became an issue as four regulatory staff left in the fall/winter of 2006/07. As of June 2007 four replacement staff have been recruited and hired. In addition, the Commission received approval in 2006/07 to add two new positions to the regulatory staff.

Staffing expenditure constituted approximately 54 percent of the Commission budget in 2006/07. In past years the Commission succeeded in maintaining or lowering its budget and core expenditures in real terms by moving away from the traditional cost-of-service approach to performance-based regulation ("PBR") or to negotiated settlement processes ("NSP"), which offer potentially lower regulatory costs. These results-based practices allowed the BCUC to keep its costs reasonable in terms of the services to ratepayers and utilities. However, a public hearing process can be the preferred and more appropriate process, depending on the nature and circumstances of an application. In 2006/07, several of the proceedings were better suited to a public hearing process than an NSP. This, plus the additional responsibilities related to the regulation of certain aspects of basic automobile insurance, has increased the costs of the Commission.

Pursuant to Section 118 of the UCA, the BCUC has the authority to grant cost awards to intervenors in a proceeding before the Commission. The Commission has issued Participant Assistance Cost Award Guidelines ("PACA Guidelines") to ensure that intervenors' submissions are useful, their efforts are not duplicative, and costs claimed are reasonable. In 2006/07, the Commission issued 26 participant funding decisions totaling $1,869,463.49 in cost awards.

The costs of the Commission can be measured by cost per utility customer and cost per unit of energy sold. In fiscal 2006/07, the cost of regulation per customer[1] was $0.86, up from $ 0.75 in 2005/06, and the cost of regulation[1] per energy service customer was $1.70, down from $1.73 in 2005/06. The cost of regulation per gigajoule ("GJ") of energy sold was 1.08 cents. The total expenditure for Fiscal 2006/07 was $4,968,007; the approved budget was $5,528,000 and the year over year increase was 3 percent.

Highlights in Operational and Financial Performance

Natural Gas Commodity Costs

Gas prices across North America are influenced in the short-term by weather, the price of competing fuels, and gas storage levels. The level of economic activity, number of wells drilled, crude oil prices, and other factors affecting the gas supply/demand balance impact gas prices over the longer term. Gas turbines have been the recent choice for many new electricity generators due to their improved efficiency, lower capital cost and environmental benefits. Regional gas demand will be significantly influenced by the amount of gas-fueled generation that is built and operated in the region.

Market prices for natural gas across the North American continent increased sharply in the winter of 2000/01, and then dropped quickly in spring 2001. Gas prices strengthened steadily from 2001 to early 2005, and were more volatile as gas demand became more weather-dependent.

Hurricanes Katrina and Rita in the late summer and early fall of 2005 did widespread damage to oil and gas production facilities in the Gulf of Mexico. Gas prices rose dramatically and remained very high until January 2006. Warm weather in winter 2005/06 caused gas storage levels to remain very high, and starting in January prices trended downward for the rest of the winter. Gas prices in summer 2006 were similar to those of a year earlier. Gas prices over winter 2006/07 and forward prices have continued to be reasonably stable at relatively high levels that are consistent with current crude oil prices.

Although gas storage levels are well above the five-year average, future gas prices are expected to be volatile and high relative to long-term averages. The current strong exchange rate for the Canadian dollar mitigates to some extent the impact of high gas prices on customer rates, as gas prices across the continent are generally reported in US dollars.

1 Includes ICBC and energy regulatory customers.

Experience from the winter of 2000/01 and subsequently have demonstrated the significant impact of very high gas prices on consumers' cost of living and businesses' operating costs. There was a public expectation that regulators could somehow "save" consumers from high gas commodity costs, even though costs have been set by market forces and passed on to the customers without mark-up by the utilities for over 15 years.

Although the BCUC does not regulate the competitive market for the natural gas commodity, it requires utilities to provide quarterly reviews of gas prices and deferral account balances. Such deferral account mechanisms are intended to smooth out changes in utility rates when gas prices change. British Columbia customers tend to pay less than the full gas cost when gas prices are high and pay slightly more than the actual cost when gas prices are low. The BCUC reviews utility gas supply contracting and hedging plans to ensure that, within the limits of market prices, the utilities purchase reliable supplies at the lowest cost possible. However, even with such measures a risk remains that significant, sustained increases in the cost of the unregulated commodity could drive natural gas rates to uncomfortable levels for consumers. Furthermore, there is a risk that gas may become non-competitive relative to electricity, since electricity rates are based on the cost of generation.

Gas Commodity Unbundling and Customer Choice

The trend toward reorganization in energy markets throughout North America has led to increased pressure on the BCUC from customers and energy providers alike to ensure that customers are offered more options and that utility services are provided in a fair, open and non-discriminatory manner. The entry of non-regulated companies, including affiliates of regulated utilities, increases the complexity of regulating energy utility services. A necessary condition for securing competitive prices for natural gas and electricity is that the remaining monopoly transmission and distribution utilities be regulated to ensure market participants receive fair access to deliver their energy at non-discriminatory rates.

As a result of the 2002 Energy Plan, Terasen Gas implemented Commodity Unbundling Service for commercial customers effective November 1, 2004. This service option typically is used by small commercial customers, as large volume customers already had access to alternative suppliers. Under the program, commercial customers are permitted to select a natural gas supplier other than Terasen Gas on a fixed price contract basis for up to five years. Results to date indicate a very successful implementation of the program. As of March 2007, 19,300 customers chose to participate, which is approximately 25 percent of the eligible market on the basis of both customer numbers and sales volumes. BCUC has received very few complaints related to the program.

In order to successfully introduce the commercial unbundling phase of the program, a regulatory, consumer protection and billing framework was required. The framework developed includes utility tariffs, a consumer education program, and Rules for Gas Marketers that include a Code of Conduct and licensing requirements. These measures ensure that customer confidence in the program will not be tarnished by marketer abuses or consumer misunderstanding. Terasen Gas implemented a combination of manual and computer controlled systems to keep program costs to a minimum, while at the same time providing mechanisms that can be enhanced to serve a broader residential customer base over time. The program was staged with commercial customers to be followed by residential unbundling, due to the significant investment risk that an insufficient number of customers would participate to justify the high costs of full scale implementation. The phased approach has been a cost-effective alternative. Meanwhile, for 2005, 2006 and 2007, Terasen Gas has offered a Stable Commodity Rate option for residential service that enables a residential customer to fix the commodity portion of gas rates for one year.

Building on the success of the first phase in attracting a significant number of commercial customers, the BCUC has worked with Terasen Gas, Gas Marketers and other stakeholders to expand the program to include residential customers commencing November 2007. Computer systems and other processes have been upgraded and automated to handle the large increase in customer enrollments with residential unbundling. In addition, effective customer education programs and a dispute resolution process have been expanded and developed to supplement the consumer protection measures currently in place. Fourteen Gas Marketers that have been licensed by BCUC began offering this supply option to residential customers on May 1, 2007. Gas deliveries under the program will commence November 1, 2007.

Pacific Northern Gas

Pacific Northern Gas Ltd. applied to the Commission in January 2004 to recapitalize under an income trust structure and the Commission denied the application in July 2004. PNG reapplied in December 2004, and the Commission's Decision and Order No. G-84-05, dated September 9, 2005, approved the application to recapitalize under an income trust ownership structure. As of December 2006, PNG had not converted to an income trust structure and, in February 2007 confirmed that, in light of the Federal Government's decision to begin taxing income trusts, PNG will not be converting to an income trust.

In November 2005, Methanex Corporation permanently closed its Kitimat methanol/ammonia complex, and terminated its transportation contract with PNG effective March 1, 2006. Under the terms of the agreement Methanex made a termination payment to the company of approximately 23.3 million. On August 16, 2006, the Commission issued Order No. G-99-06 approving that PNG record the termination payment in an interest

bearing credit deferral account and amortizing the amount into income over a 44-month period. In the same Order, the Commission approved PNG's application to recover in customer rates the reduction in revenue from the Methanex contract termination. Amortizing the Methanex termination payment into income mitigates some of the loss of revenue to PNG and the impact on ratepayers.

PNG filed its 2007 Rate Applications for PNG and PNG (NE) in October 2006. The Commission established a written process to review the applications, and following the conclusion of the written proceeding, issued Decisions on those applications on May 29, 2007. In order to further mitigate the impact of projected lower margin recovery on customers' rates, the Commission in Order G-55-07 approved PNG's request to draw down $900,000 from its Deferred Income Tax balance in 2007.

In July 2006, PNG announced that it had formed Pacific Trail Pipelines Partnership Ltd. ("PTP") with Galveston LNG Inc. to pursue the development of the KSL Looping project to expand the capacity of the existing PNG transmission system to allow natural gas to be received from the proposed receiving terminal and redelivered into the Duke Energy Transmission system. The project is now fully permitted and, should the project proceed, PNG intends to transfer its existing transmission assets to PTP upon completion of the KSL Looping project such that PTP would become the sole transmission provider along the pipeline corridor. PNG would continue to retain its distribution assets and continue to provide service to its distribution customers. PNG states that it believes that economies of scale and improved utilization of the expanded transmission system will lead to materially lower rates for its existing customers.

Highlights in Electricity

Implementation of the Energy Plan

In May 2003, the Province created the British Columbia Transmission Corporation ("BCTC"), to manage, maintain and operate the transmission assets of BC Hydro, and to ensure open and non-discriminatory access to the BC transmission system for all electricity producers. BCTC officially commenced operations on August 1, 2003. The Energy Plan also contemplated that the Commission would resume regulating BC Hydro rates.

BCTC Applications

On July 7, 2005, BCTC filed an application to construct, in an existing right-of-way, a new 67 kilometer 230 kV line from South Delta to North Cowichan to replace an existing 138 kV line, and to upgrade a second 138 kV line. On September 30, 2005 Sea Breeze Regional Transmission System, Inc. subsequently Sea Breeze Victoria

Converter Corporation, ("Sea Breeze") filed an application to construct its Vancouver Island Cable ("VIC") project. The Commission established a single oral public hearing to review the two projects, which was held in February and March, 2006 and lasted for 33 days. During the hearing, Sea Breeze withdrew its VIC application. The hearing remained contentious primarily because of routing considerations related to the BCTC application. The Commission issued its Decision on July 7, 2006. The Decision was appealed to the Court of Appeal, and by a decision dated April 13, 2007, the appeal was dismissed.

On January 27, 2006, BCTC filed its Transmission System Capital Plan update and an amendment to the Update on February 20, 2006. On March 30, 2006, the Commission issued Order G-35-06 establishing a written public hearing process. Following a review of the Application and evidence filed in the written hearing, the Commission determined that capital expenditures related to several projects needed to meet new growth or to sustain the system were in the public interest. On December 21, 2006, BCTC filed its F2008 to F2017 Transmission System Capital Plan. The Commission reviewed the Application through a written hearing process in March and April 2007. The Commission issued its Decision on June 15, 2007 which, amongst other directives, approved sustaining capital expenditures of 84.8 million and 86.5 million in F2008 and F2009, respectively.

BC Hydro Applications

On December 8, 2005 BC Hydro issued its F2006 Open Call for Power ("F2006 Call"). The terms and conditions of the F2006 Call had been previously reviewed through a Negotiated Settlement Process held in September 2005, and approved on October 11, 2005 by Commission Order G-103-05. In July 2006, BC Hydro awarded Electricity Purchase Agreements ("EPA") to 38 Independent Power Producer ("IPP") projects representing 1,400 MW of capacity and 7,125 GW.h/year of energy (5,725 GW.h/year of firm energy and 746 GW.h/year of non-firm energy from Large Projects and 654 GW.h/year of non-firm energy from Small Projects). On August 31, 2006 BC Hydro filed with the Commission its report on the F2006 Call ("Report").

On September 5, 2006, BC Hydro filed, pursuant to Section 71 of the UCA, the 38 executed EPAs awarded under the F2006 Call process, together with a summary of the bid prices by project used for the tender evaluation process. BC Hydro requested that the Commission issue an Order accepting the 38 EPAs. On September 21, 2006, the Commission issued Order No. E-7-06 which accepted the agreements for filing.

On November 1, 2006, BC Hydro filed the Long-Term Electricity Purchase Agreement ("LTEPA") Amending Agreement dated October 27, 2006 to which was attached the form of Amended and Restated LTEPA between Alcan Inc. ("Alcan") and BC Hydro, and requested that the Commission issue an Order accepting the LTEPA Amending Agreement and the Amended and Restated LTEPA. By Order No. G-142-06 dated

November 10, 2006, the Commission established an Oral Public Hearing that was held in December 2006 for the review of the Agreements. By Order No. G-176-06 dated December 29, 2006, the Commission found that the Agreements were not in the public interest, and declared them to be unenforceable.

BC Hydro filed its Integrated Electricity Plan ("IEP"), which is a long-term planning document, on March 29, 2006 and its F2007/F2008 Revenue Requirements Application ("F07/F08 RRA") on May 25, 2006. The Commission established procedural conferences to determine the formal processes for reviewing the IEP and the F07/F08 RRA. Following a procedural conference in August 2006 the Commission established a Negotiated Settlement Process ("NSP") for the review of the Revenue Requirements application and an oral hearing to review the IEP. A negotiated settlement was reached and made public on November 6, 2006. The settlement agreement was approved by Commission Order No. G-143-06 on November 10, 2006.

The oral hearing to review BC Hydro's IEP and Long Term Acquisition Plan ("LTAP") commenced on November 22, 2006 and concluded on January 12, 2007 after 18 hearing days. The written final arguments and reply were completed by March 5, 2006. The Commission's Decision on the IEP and the LTAP was issued on May 11, 2007.

BC Hydro filed its 2007 Rate Design Application on March 15, 2007. A rate design application is aimed at determining the proportion of a utility's approved costs to be collected from each of the various classes of ratepayers. In addition, a rate design application reviews the structure of a utility's rates, including questions such as whether rates should increase, decrease or stay constant as consumption increases, and how much of the revenue from a customer class will be collected through a fixed monthly charge, a variable commodity charge and/or a demand charge. By Order No. G-50-07 dated May 8, 2007, the Commission established an oral public hearing to review the application in July 2007.

Energy Trade

Energy trade with other jurisdictions is an important source of revenue to BC Hydro ratepayers. Under Special Direction No. HC2 net trade income up to $200 million is credited to ratepayers.

Electricity trade revenues tend to be highest when market prices are high. For example, in the western U.S. low levels of electricity infrastructure investment, low precipitation and growing demand led to abnormally high market prices and shortages during peak periods in 2000. In 2001 and 2002, a reversal of these factors led to a surplus of electricity and a reduction in the market prices for electricity. In fiscal 2006/07, trade revenues were $1,406 million compared to $1,546 million in the prior year.

Cross-jurisdictional bodies facilitate trade but constrain the ability of the province to formulate policies in isolation of events outside its border. Events in other jurisdictions can significantly affect the level of trade or the amount of revenue arising from energy trade. In order to remain informed of events related to energy trade and reliability, the BCUC has ties with tribunals in neighbouring provinces and states and participates in cross-jurisdictional initiatives such as the Western Electric Coordinating Council ("WECC"). The Commission also plays an active role in the Canadian Association of Members of Public Utility Tribunals ("CAMPUT"). The Commission continues to explore with other regulators harmonization, standardization, and streamlining of regulation within the limits of its enabling legislation.

FortisBC Inc.

On March 9, 2006, FortisBC Inc. ("FortisBC") applied for a Certificate of Public Convenience and Necessity ("CPCN") for a transmission reinforcement to meet load growth in the Big White ski area. The Commission, by Order No. G-44-06, established an Oral Public Hearing to review the Application that was held in Kelowna in July 2006. The Commission Panel subsequently issued its Decision dated September 14, 2006.

In the Decision, the Commission Panel found that there was significant consensus that the project was needed to meet expected demand for the 2007-2008 winter season; that the magnitude and cost of the project appeared to be somewhat disproportionate to the expected revenue recovery; and that FortisBC does not have a tariff structure that provides for a special rate area, as distinct from a specific customer, to be subjected to a rate rider for the collection of costs of meeting the increase in demand in a discrete area. Following from these findings, the Decision approved the CPCN and authorized FortisBC to proceed with the project subject to two directions: first, that FortisBC file within 90 days a rate design application which considers the circumstances and conditions pertaining to the Project and which would lead to a determination by the Commission as to how the costs of the project would be recovered, and second, that FortisBC establish a deferral account for the costs of the project to be recovered as determined by the Commission in conjunction with its review of the FortisBC application for a rate design for the project.

FortisBC filed its application for a rate design on the Big White supply project on March 6, 2007. On March 16, the Commission Panel issued Order No. G-30-07 establishing a procedural conference on April 16, 2007. During the procedural conference, FortisBC requested a written process "...given that there is new information in front of the Commission on whether or not there is still a serious question as to whether Big White customers should be paying some or all of those project costs". On April 23, 2007, the Commission issued Order No. G-46-07 that established a written process to consider the preliminary question raised by FortisBC.

Highlights in Automobile Insurance

On August 22, 2005 ICBC submitted an application for approval of the 2006 Revenue Requirements for Universal Compulsory Automobile Insurance ("Basic Insurance"), a filing relating to ICBC's Basic Insurance Capital Management Plan, an application for approval of refinements to certain performance measures, a filing of information on seven financial allocation functions and an application for approval of changes to certain allocation functions (the "Application"). The Application responded to a directive in Letter No. L-40-05 and directives issued by the Commission in its Decision dated January 19, 2005 and includes additional information and applications. In the Application, ICBC advised that it was not applying for a change to Basic Insurance rates.

In a January 27, 2006 revision, ICBC applied for an increase in Basic Insurance rates of 6.5 percent for all new or renewal policies with an effective date after March 14, 2006, and requested that the increase be granted on an interim basis until the Commission had made its final determination. To review the application, the Commission established an oral public hearing, held in April 2006. Following the hearing, the Commission Panel issued its Decision and Order No. G-86-06 approving a 6.5 percent increase in Basic Insurance rates for all new or renewal policies with an effective date after March 14, 2006, on a permanent basis.

On March 16, 2007, ICBC submitted an application for approval of its 2007 Revenue Requirements for Basic Insurance and, on March 29, 2007, ICBC submitted its first application to the Commission respecting rate design for Basic Insurance.

2007/08 Anticipated Events

During the 2007/08 fiscal year the Commission expects to complete its reviews of the following major applications:

- British Columbia Hydro and Power Authority Rate Design Application
- British Columbia Hydro and Power Authority Application for a Certificate of Public Convenience and Necessity for Revelstoke Unit 5
- British Columbia Transmission Corporation Application for a Certificate of Public Convenience and Necessity for Interior to Lower Mainland Transmission Reinforcement
- British Columbia Transmission Corporation Application for a Certificate of Public Convenience and Necessity for Central Vancouver Island Transmission Reinforcement
- FortisBC Rate Design Application for the Big White Supply Project
- FortisBC Certificate of Public Convenience and Necessity for Okanagan Transmission Reinforcement
- Insurance Corporation of British Columbia 2007 Revenue Requirements Application
- Insurance Corporation of British Columbia Application Respecting Rate Design for Universal Compulsory Automobile Insurance
- Pacific Northern Gas Ltd. 2008 Revenue Requirements Application, Pacific Northern Gas (N.E.) Ltd. 2008 Revenue Requirements Application
- Terasen Gas (Vancouver Island) Inc. Application for a Certificate of Public Convenience and Necessity to build the Mt. Hayes liquefied natural gas storage facility and for approval of a long-term Storage and Delivery Agreement with Terasen Gas Inc. and TGI Application for approval to enter into the Storage and Delivery Agreement with TGVI.
- Terasen Gas Inc. Application for a Certificate of Convenience and Necessity for facility alterations related to the Gateway transportation project.

Report on Performance

The Commission's overarching mandate is to ensure that ratepayers receive safe, reliable and nondiscriminatory energy services at fair rates from regulated energy utilities; that shareholders of those energy utilities are afforded a reasonable opportunity to earn a fair return on their invested capital; that service to basic automobile insurance policyholders is adequate, efficient, just and reasonable and that ICBC optional insurance is not subsidized by other ICBC operations. The BCUC also has a mandate to ensure that customer complaints of unfair treatment by utilities and marketers are heard and dealt with fairly.

To effectively deliver its core services, the Commission has organized its regulatory functions by area of activity, built on the knowledge of its interdisciplinary teams. The primary areas of activities are:

(1) Revenue Requirements;
(2) Rate Design;
(3) Capital Projects Review;
(4) Oversight of Energy Commodity Cost and Competitive Market Development;
(5) Safety and Reliability; and
(6) Information Service and Complaints.

It is the aim of the Commission to deliver its core services in an efficient and effective manner without incurring unnecessary costs and burdensome regulatory requirements.

Comparisons with Other Jurisdictions

The BCUC has been operating at costs and staffing levels that are significantly lower than comparable tribunals (Table 1 following). When compiling the statistics, the Commission contacts the other tribunals to ensure that the statistics only include the portion of their budgets devoted to energy regulation. The Commission aims to update these benchmark statistics periodically, if not every year, as necessary and appropriate.

Table 1 – Benchmark comparison to Other Jurisdictions (2005)

	Members	Staff	Budget	Per Capita Cost of Regulation[1]
B.C. Utilities Commission	3 full-time Commissioners including Chair 6 part-time Commissioners	23	$5.0 million, fully cost recovered	$ 1.11/year (includes regulation of utilities and auto insurance)
Ontario Energy Board	8 full-time Commissioners, including Chair and 1 Vice Chairs 2 part-time Commissioners	*Not available*	$31.2 million fully cost recovered	$2.52/year
Quebec Régie de l'énergie	9 full-time Commissioners, including Chair and one vice chair 0 part-time Commissioners	22 staff (excluding administrative services) and 7 board counsel	$8.0 million (excl portion for monitoring of petroleum activities) fully cost recovered	$1.06/year
Newfoundland Board of Commissioners of Public Utilities	2 full-time Commissioners, including Chair and Vice Chair 6 part-time Commissioners	16	$1.2 million (utilities), $0.5 million (auto insurance) fully cost recovered	$3.29/year (for both utilities and auto insurance regulation)
Alberta Energy and Utilities Board	9 full-time Members, including Chair	50 "utilities" staff 768 "oil and gas" staff	$130.4 million (total) $8.2 million (utilities) 78%% cost recovered, 22% funded by government	$2.56/year

[1] The annual budget or the most comparable portion of the budget divided by the most recent population estimate for the province (2004) or state (2003).

Table 1 – Benchmark comparison to Other Jurisdictions (2005)

	Members	Staff	Budget	Per Capita Cost of Regulation[1]
National Energy Board	8 full-time Members, including Chair and 1 Vice Chair 1 part-time Members	299	$35.5 million 90% cost recovered 10% funded by government	not comparable
New Brunswick Board of Commissioners of Public Utilities	1 full-time Commissioner (Chair) 1 Temporary Commissioner (Vice-Chair)	14	$3.4 million, fully cost recovered; 99.5% energy utilities, 0.5% motor carrier	$ 4.50/year
Washington State Utilities and Transportation Commission	3 full-time Commissioners, including Chair 0 Temporary Commissioners	164 total; 45 energy utilities	$16.5 million, 27.6% ($4.6 million) energy utilities funded on a cost-recovery basis	$0.74/year
Nova Scotia Utility and Review Board	6 full-time Commissioner (including Chair and Vice-Chair) 1 Temporary Commissioner	38 total; 7 energy utilities	$4.7 million, 1.4 million energy and water utilities	$ 1.47/year

Financial Report

Commission Recovery and Expenditure Summary

Authority for Cost Recovery

Beginning in 1988, the Commission was authorized to recover its costs from regulated utilities and pipeline companies by fixing levies according to Section 125 of the UCA and parameters set out in the Levy Regulation (BC Reg. 283/88). The Commission recovers most of its costs by way of a "per gigajoule" levy assessed on each utility, based on the amount of energy it sold in the previous calendar year. The Commission recovers its estimated annual regulatory costs from the Insurance Corporation of British Columbia and British Columbia Transmission Corporation. The Commission also bills utilities for the public hearing costs that are attributed directly to those utilities. Direct recoveries have varied significantly from year to year, depending on the number and duration of regulatory hearings and inquiries. Revenues are also collected from intraprovincial petroleum pipeline companies, natural gas marketer licencees, and from other utility regulatory agencies that contract with the Commission for advice and assistance.

Levy 2006/07

The Commission's fiscal year runs from April 1 to March 31. The voted expenditure for the 2006/07 fiscal year was $5,528,000. Of this, $400,000 was forecasted to be recovered directly from utilities for Commission expenditures attributable to their public hearings and other proceedings under the Act. The Commission's recovery from the regulation of ICBC and BCTC was $600,000 each, natural gas marketer licencees $11,000 and from intra-provincial oil pipeline companies and upstream gas producers was $9,000. This left a net annual budget of $3,354,611.00 to be recovered from the levy, as identified in the formula below.

$$\frac{\text{Total Budgeted Expenditures minus estimated Direct and ICBC Recoveries ($)}}{\text{Total Utility Energy Volumes sold in previous calendar year (GJ)}} = \frac{\$3,354,611}{416,177,200\ \text{GJ}} = 0.0080605353/\text{GJ}$$

The Commission's costs were therefore expected to be recovered from a levy of $0.0080605353/GJ for the fiscal year beginning April 1, 2006, payable by utilities in four quarterly installments.

Levy Billing Adjustments

Lower than forecasted Commission expenditures and higher other recoveries in the 2005/06 fiscal year resulted in a year-end credit from 2005/06 levy payments received of $561,389.00. This amount was credited to the utilities' quarterly billings in 2006/07. The Commission had a March 31, 2007 end of year surplus of $752,937.69. This amount will be credited back to the utilities in each quarterly billing of Commission costs for 2007/08. The Commission's regulatory proceeding costs are expected to be close to the approved budget limit requiring a full recovery from utilities.

2006/07 Revenues and Expenses

Levy billed and Recoveries received in 2006/07	$5,159,556.18	
Add: Deferred Revenue from 2005/06 Levy	561,389.00	
Total Recoveries (see below)		$5,720,945.18
Less: Expenditures (see below)		4,968,007.49
Revenue deferred to 2006/07		$752,937.69

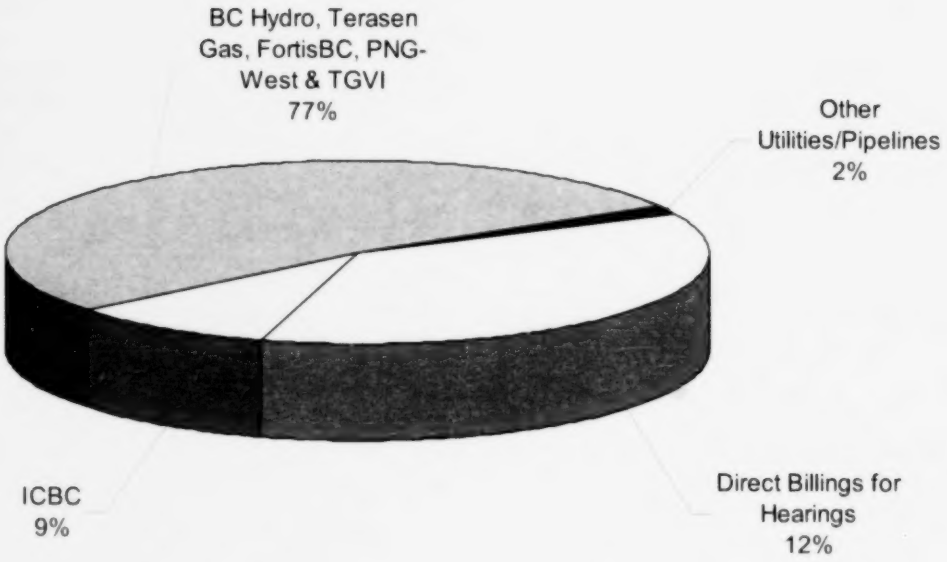
The levy amounts recovered from utilities and other revenue sources for the 2006/07 fiscal year are as follows:

Commission Revenues Recovered Through the Levy (Order No. G-62-06)	**Amounts Recovered 2006/07 Fiscal Year (Actual)**
British Columbia Hydro and Power Authority	1,104,627.84
British Columbia Transmission Corporation	450,000.00
Cal-Gas Inc.	60.45
Central Heat Distribution Limited	7,109.40
Corix Multi-Utility Services Inc.	
~ Gas	282.93
~ Electric	72.59
Corporation of the City of Nelson	787.25
FortisBC Inc.	44,636.82
Hemlock Valley Electrical Services Limited	29.61
Insurance Corporation of British Columbia	450,000.00
Pacific Northern Gas Ltd.	46,458.90
Pacific Northern Gas (N.E.) Ltd.	
~ Dawson Creek and Fort St. John	26,902.05
~ Tumbler Ridge	4,171.32
Port Alice Gas Inc.	81.00
Princeton Light and Power Company, Limited	1,586.31
Big White Gas Utility (formerly R334 Enterprises Ltd.)	229.74
Silversmith Power & Light Corporation	2.54
Stargas Utilities Ltd.	191.64
Sun Peaks Utilities Co., Ltd.	281.75
Terasen Gas Inc.	
~ Lower Mainland Division	707,457.06
~ Inland Division	318,616.83
~ Columbia Division	36,351.00
~ Fort Nelson Division	5,561.76
Terasen Gas (Vancouver Island) Inc.	203,234.31
Terasen Gas (Squamish) Inc.	2,007.06
Terasen Gas (Whistler) Inc.	4,552.20
The Yukon Electrical Company Limited	8.56
Sub-Total	$3,415,300.92

Natural Gas Marketer Licences		
Premstar Energy Canada	$1,000.00	
Nexen Marketing	1,000.00	
Energy Savings (B.C.) Limited	1,000.00	
Avista Energy	1,000.00	
Universal Energy	1,000.00	
CEG Energy Options	1,000.00	
Planet Energy (BC) Corp.	1,000.00	
MxEnergy (Canada) Ltd.	1,000.00	
Access Gas Services	1,000.00	
Direct Energy Marketing	1,000.00	
Intra Energy BC Inc.	1,000.00	
		11,000.00
Recoveries from Intra-Provincial Oil Pipelines and Other Companies		
Plateau Pipeline Ltd.	5,000.00	
Spectra Energy	3,000.00	
Keyera Energy	1,000.00	
		9,000.00
Miscellaneous Revenues		
Commission Contract with:		
~ Saskatchewan Rate Review Panel	2,900.02	
Recovery of Proceeding Costs from Utilities	1,721,355.24	
Deferred Revenue from 2005/06 (credited to utilities' quarterly billings in 2006/07)	561,389.00	
		2,285,644.26
TOTAL REVENUES		**$5,720,945.18**

Commission Expenditures per Expense Category	Expenditures 2006/07 Fiscal Year (Actual)
Salaries and Benefits	2,678,478.67
Operating Costs	1,087,243.93
Professional Services	1,202,284.89
TOTAL EXPENDITURES	**$4,968,007.49**

REVENUES



EXPENDITURES

Corporate Governance

The Utilities Commission Act provides for a Chair, one or more Deputy Chairs and part-time Commissioners appointed by the Lieutenant Governor in Council. As of March 31, 2007, there were six part-time Commissioners, two full-time Commissioners and the Chair.

Following are brief biographies for Commissioners and part-time Commissioners serving in the 2006/07 fiscal year:

Robert H. Hobbs, Chair and Chief Executive Officer

Brandon University, 1979 (B.Sc. Mathematics); University of Manitoba, 1982 (LL.B); University of Western Ontario, 1987 (M.B.A.); 1989 - 2001 Aquila Networks Canada (British Columbia) Ltd., last position held Vice President, Regulatory and Legislative Services; Member of the Law Society of British Columbia (inactive); appointed full-time Commissioner March 2003; appointed Chair and Chief Executive Officer August 2003.

Lori Ann Zaozirny (nee Boychuk), Commissioner

University of Western Ontario (L.L.B.); Senior Legal Counsel, National Energy Board (1992-94 and 1997-2003); Legal Assistant to the Chief Justice, Court of Queen's Bench of Alberta (1995-97); Clerk to the Chief Justice, Federal Court of Canada, Trial Division (1990-1992); articled with McCarthy Tétrault (Alberta) and Fraser, Milner (Ontario); and, prior to legal/energy career, Personnel/Human Resources and Communications positions in the Federal Government of Canada (1980-1986); appointed August 2003.

Leonard F. Kelsey, Commissioner

Vice President British Columbia Automobile Association (18 years); Chief Operating Officer, BCAA Insurance Corporation, retired 2002; past Member B.C. Committee, Insurance Bureau of Canada; Public Administrator and past Chair, North Shore Health Region; independent Business Consultant; appointed September 2003.

Nadine F. Nicholls, Part-time Commissioner

University of British Columbia, 1976 (B.Sc. Mathematics); University of British Columbia, 1982 (M.Sc.); rates economist, British Columbia Hydro and Power Authority (1980-83); electricity utilities advisor, Government of the Northwest Territories (1990-92); energy policy consultant in the Northwest Territories (1993-98); appointed March 2000.

Robert J. (Bob) Milbourne, Part-time Commissioner

University of British Columbia (BASc. Metallurgical Engineering); P.Eng. (B.C., Ontario); Stelco Inc., retired as Senior Executive and Member of the Board of Directors 1996; Principal, Milbourne and Company (Business Advisors) 1997; Hatch Associates Ltd., Director 1997-2002; Bruce Power Inc., Director 2001); Member Ontario Human Rights Commission 1991-1996); Member, B.C. Securities Commission 2002; appointed August 2003.

Peter E. Vivian, Part-time Commissioner

University of Toronto, 1965 (Bachelor of Applied Science – Electronics); University of Western Ontario (Bachelor of Law); Flight Lieutenant, RCAF; Professor of Law at the universities of Western Ontario, Ottawa and Victoria; General Manager, Canadian Law Information Council (1975-77); various positions with the BCE Inc. group of companies (1977-97); Vice President and Chief of Staff, The Business Council on National Issues (now the Council of Canadian Chief Executives) (1982-84, 1989-90); Executive Director, Telecommunications, CRTC (1998-2000); Principal, Vivian Associations, Consultants to Management (2000-present); appointed August 2003.

Liisa A. O'Hara, Part-time Commissioner

University of British Columbia, 1976 (M.Sc., Business Administration), Certified General Accountant, 1984, Senior pipeline executive (21 years), retired from Terasen Pipelines in 2004 as Vice President, Financial Services and Regulatory Affairs; prior to the career in energy, Manager Financial Analysis and Regulatory Affairs with CP Air (8 years). Currently serves as Executive-In-Residence at Sauder School of Business, UBC; appointed in January 2005.

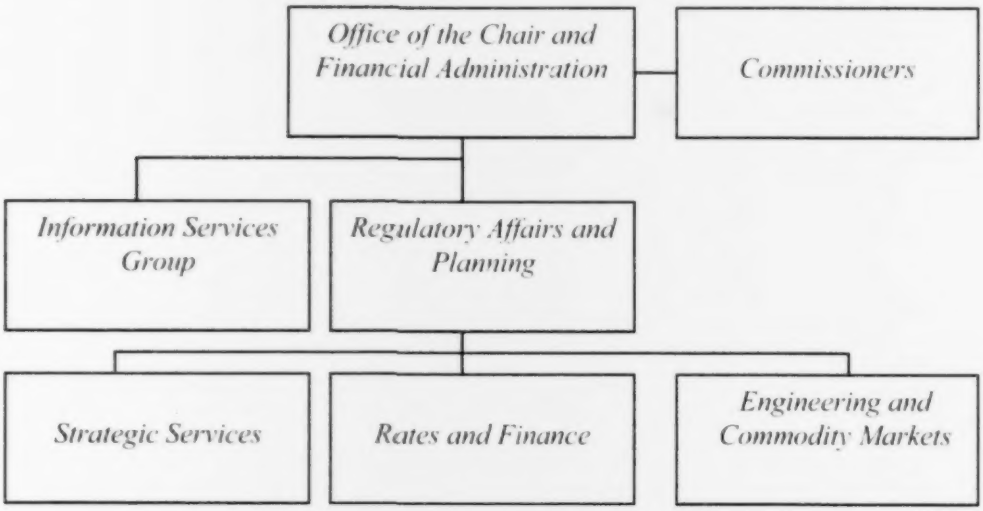
Anthony T. Pullman, Part-time Commissioner

Keble College Oxford (B.A. 1967 , M.A. 2001) Chartered Accountant 1970; retired from the ATCO Group in 2004 after 24 years of service -Vice President Controller Alberta Power Limited (1980-1985); Vice President Controller and Vice President Planning and Budgeting ATCO Ltd (1985-1993); Senior Vice President Finance ATCO Power Ltd (1993-2004); Chairman Calgary District Hospital Group (1989-1991); Chairman Alberta Blue Cross Plan (1996-1998); appointed March 2006.

A.W. (Keith) Anderson, Part-time Commissioner

Bachelor of Commerce, University of Alberta, Chartered Accountant; Retired from PricewaterhouseCoopers in 2001 as Partner responsible for PwC's Energy Utilities practice in Canada; over 35 years experience as a strategic planning, financial, and regulatory consultant in the energy utilities and other sectors including gas, electric and pipeline utilities, financial institutions, telecommunications and transportation companies; currently an independent financial and management advisory consultant and serves as a director and advisor of private corporations; appointed April 1, 2006.

The organization chart below shows the reporting structure within the Commission.



The Chair is responsible for managing human resources, performance management, and compensation issues.

The Commission staff is organized into three groups:

- **Information Services Group**

Consists of the Commission Secretary, the Assistant Commission Secretary, and the Information Services Group. The Commission Secretary acts as the official contact for both regulated utilities and the public. The department responds to all information requests (including Freedom of Information requests), prepares Annual Reports and quarterly Regulatory Updates, provides research support, web site services, media interaction, maintains Application Exhibit Binders, the Commission's database of mailing lists, and library services. It also deals with utility customer complaints and operates and maintains the Commission's information resources.

- **Regulatory Affairs and Planning**

Consists of professional staff with expertise and experience in the areas of accounting, economics, ratemaking, and engineering. The regulatory affairs and planning functions of the Commission include the review of financial, accounting, social and economic aspects of energy utility activities and of the provision of Basic automobile insurance by ICBC. The regulatory affairs staff also reviews energy supply and demand, including conservation impacts, and the safety aspects of energy production, transmission, and distribution. In

considering a matter under review by the Commission, staff have a responsibility to develop a full record of evidence. This often requires that staff be technical advisors to the Commission, and also provide external expert witnesses to testify at hearings.

- **Office of the Chair and Financial Administration**

Conducts background research and prepares decision support for management policies and decisions in areas such as personnel and financial management, budget preparation, internal policies, external relations with government, other agencies, utilities and the public. Also provides a range of administrative, financial and human resource services to the Commissioners and staff.

Following is a list of the Commission staff as of March 2007, their positions and departments.

OFFICE OF THE CHAIR AND FINANCIAL ADMINISTRATION

Marilyn E. Donn	_____	Assistant to the Chair and Manager, Financial Administration
Denise Goddard	_____	Financial Assistant/Administrative Clerk

COMMISSION SECRETARY'S OFFICE AND INFORMATION SERVICES GROUP

Robert J. Pellatt	_____	Commission Secretary
Constance M. Smith	_____	Assistant Commission Secretary
Alison H. Cornack	_____	Information Services Officer
Debra L. Frank	_____	Administrative Clerk
Yvonne M. Lapierre	_____	Administrative Clerk
Daniela Guest	_____	Administrative Clerk
Bonita Harvey	_____	Administrative Clerk/Web Administrator
Kathy Grasty	_____	Administrative Clerk/Receptionist

REGULATORY AFFAIRS AND PLANNING

William J. Grant	_____	***Transition Advisor***
Rose A. Tomen	_____	Administrative Clerk

STRATEGIC SERVICES

James W. Fraser	_____	Director
Eileen Cheng	_____	Senior Economist
Tony Roberts	_____	Senior Economist

Rates and Finance

Philip W. Nakoneshny	_____	Director
Doug Chong	_____	Senior Financial Analyst
Susanne Sue	_____	Financial Analyst
Jeffrey Yang	_____	Financial Analyst

Engineering and Energy Markets

J. Brian Williston	_____	Director
Robert N. Brownell	_____	Senior Commodities Analyst
Don Flintoff	_____	Senior Electrical Engineer

Supplementary Information

Regulated Utilities

CROWN-OWNED ELECTRIC UTILITIES	SERVICE AREA
British Columbia Hydro and Power Authority 333 Dunsmuir Street Vancouver, BC V6B 5R3 Email Contact: regulatory.group@bchydro.com	Lower Mainland, Vancouver Island, Central and Northern BC and East Kootenay Regions
British Columbia Transmission Corporation Suite 1100, Four Bentall Centre 1055 Dunsmuir Street PO Box 49260 Vancouver, BC V7X 1V5 Email Contact: bctc.regulatory@bctc.com	BC Transmission and Integrated Grid System

INVESTOR-OWNED ELECTRIC UTILITIES	SERVICE AREA
Corix Multi Utility Services Inc.* (formerly Sun Rivers Services Corp.) #1128 Burdette Street Richmond, BC V6V 2Z3 Email: glenn.laufer@corix.com	Lot 152, CLSR Plan 78619 Kamloops IR No. 1
Hemlock Valley Electrical Services Limited** Purchased September 19, 2005 Berezan Management Group Telephone: 604-797-4411	Hemlock Valley
Princeton Light and Power Company, Limited (purchased by FortisBC Inc. May 2005) Email Contact: regulatory@fortisbc.com	Princeton, Osprey Lake and Missezula Lake Areas
Silversmith Power & Light Corporation Box 369 New Denver, BC V0G 1S0 Email Contact: silversmith@netidea.com	Sandon, BC
FortisBC Inc. (formerly Aquila Networks Canada (British Columbia) Ltd.) P.O. Box 130 Trail, BC V1R 4L4 Email Contact: regulatory@fortisbc.com	West Kootenay and Okanagan Regions of BC

* Effective May 19, 2006, Terasen Multi-Utility Services Inc. was sold by Kinder Morgan, Inc. to Corix Utilities and is operated as Corix Multi Utility Services Inc.

** Effective September 19, 2005, Hemlock Valley Electrical Services Ltd. assets were purchased out of receivership by the Berezan Management Group.

INVESTOR-OWNED ELECTRIC UTILITIES *(CONTINUED)*	SERVICE AREA
The Yukon Electrical Company Limited Box 4190 Whitehorse, Yukon Territory Y1A 3T4 Facsimile Contact: (867) 668-3965	Lower Post

INVESTOR-OWNED NATURAL GAS OR PROPANE UTILITIES	SERVICE AREA
Big White Gas Utility P.O. Box 2039, Station "R" Kelowna, BC V1X 4K5 Email Contact: mvalcourt@bigwhite.com	Big White ski area
Cal-Gas Inc. 4255 - 64th Avenue S.E. Calgary, Alberta T2C 2C8 Facsimile Contact: (403) 279-9098 Email Contact: jsereda@calgasinc.com	Canyon Ridge and Sonoma Pines
Corix Multi Utility Services Inc.* 1128 Burdette Street Richmond, BC V6V 2Z3 Email: glenn.laufer@corix.com	Lot 152, CLSR Plan 78619 Kamloops IR No. 1, Panorama and Sonoma Pines
Pacific Northern Gas Ltd. 950 - 1185 West Georgia Street Vancouver, BC V6E 4E6 Email Contact: info@png.ca	Summit Lake to Prince Rupert and Kitimat
Pacific Northern Gas (N.E.) Ltd. 950 - 1185 West Georgia Street Vancouver, BC V6E 4E6 Email Contact: info@png.ca	Dawson Creek, Rolla, Pouce Coupe, Tumbler Ridge, Fort St. John
Pacific Northern Gas Ltd. 950 - 1185 West Georgia Street Vancouver, BC V6E 4E6 Email Contact: info@png.ca	Granisle (Propane Grid System)
Port Alice Gas Inc. #101 - 4381 Dawson Street Burnaby, BC V5C 4B4 Email: david@portalicegas.com	Port Alice (Propane Grid System)

INVESTOR-OWNED NATURAL GAS OR PROPANE UTILITIES *(CONTINUED)*	SERVICE AREA
Stargas Utilities Ltd. P.O. Box 3002 Silver Star Mountain, BC V1B 3M1 Email Contact: stargas@shaw.ca	Silver Star resort community
Sun Peaks Utilities Co., Ltd. 1280 Alpine Road Sun Peaks, BC V0E 1Z1 Email Contact: utilities@sunpeaksresort.com	Resort area north of Kamloops
Terasen Gas Inc. (formerly BC Gas Utility Ltd.) 1111 West Georgia Street Vancouver, BC V6E 4M4 Email: regulatory.affairs@terasengas.com	Lower Mainland, Fort Nelson, Central and Northern Interior, the Kootenays and the Okanagan
Terasen Gas (Vancouver Island) Inc. (formerly Centra Gas British Columbia Inc.) 1675 Douglas Street, P.O. Box 3777 Victoria, BC V8W 3V3 Email: regulatory.affairs@terasengas.com	Sunshine Coast, Powell River, and Vancouver Island north to Campbell River, west to Port Alberni, and south to Victoria
Terasen Gas (Whistler) Inc. (formerly Centra Gas Whistler Inc.) 1675 Douglas Street, P.O. Box 3777 Victoria, BC V8W 3V3 Email: regulatory.affairs@terasengas.com	Whistler (Propane Grid System)
Terasen Gas (Squamish) Inc.* (merged with Terasen Gas Inc. January 2007) 1111 West Georgia Street Vancouver, BC V6E 4M4 Email: regulatory.affairs@terasengas.com	Squamish (Natural Gas)

INVESTOR-OWNED STEAM HEAT UTILITY	SERVICE AREA
Central Heat Distribution Limited 720 Beatty Street Vancouver, BC V6B 2M1 Email Contact: CHDL@telus.net	Downtown Vancouver

* Effective January 1, 2007, Terasen Gas (Squamish) Inc. operations, billing and tariff were integrated with Terasen Gas Inc.

Regulated Company	Service Area
Compulsory Automobile Insurance	
Insurance Corporation of British Columbia Suite 517 - 151 West Esplanade North Vancouver, B.C. V7M 3H Email Contact: regaffairs@icbc.com	Province of British Columbia
Municipally-Owned Electric Utilities	**Service Area**
Municipally-owned electric utilities are not regulated under the Utilities Commission Act. Only the City of Nelson's electric utility with service outside of the Municipal boundaries is subject to regulation by the British Columbia Utilities Commission.	
City of Grand Forks Box 220 Grand Forks, BC V0H 1H0	Grand Forks
City of Kelowna 1435 Water Street Kelowna, BC V1Y 1J4	Kelowna
City of Nelson (also known as Nelson Hydro) 502 Vernon Street Nelson, BC V1L 4E8	Nelson (urban and rural areas)
City of New Westminster 511 Royal Avenue New Westminster, BC V3L 1H9	New Westminster
City of Penticton 616 Okanagan Avenue East Penticton, BC V2A 3K6	Penticton
District of Summerland Box 159 Summerland, BC V0H 1Z0	Summerland

Domestic Electricity Sales - 2006

	Customers #	Revenue ($000)	Sales (GW.h)
CROWN-OWNED ELECTRIC UTILITY			
British Columbia Hydro and Power Authority	1,724,304	2,636,006	51,070.57
MUNICIPALLY-OWNED ELECTRIC UTILITIES			
City of Grand Forks	2,067	2,637	35.88
City of Kelowna	12,955	22,313	310.24
City of Nelson	9,406	10,549	149.28
City of New Westminster	28,979	25,096	416.21
City of Penticton	15,970	23,294	330.27
District of Summerland	5,203	6,442	83.48
Total Municipally-Owned	74,580	90,331	1,325.36
INVESTOR-OWNED ELECTRIC UTILITIES			
FortisBC Inc.	99,503	157,062	2,092.20
Hemlock Valley Electrical Services Limited	220	145	0.86
Princeton Light and Power Company, Limited[5]	3,082	5,978	75.17
Silversmith Light & Power Corporation*	11	28	0.06
Corix Multi-Utility Services Inc.			
CMUS – Sun Rivers[4]	364	387,953	6.03
The Yukon Electrical Company Limited Lower Post BC	72	121	0.75
Total Investor-Owned	103,252	551,287	2,175.07
TOTAL ALL ELECTRICAL UTILITIES	**1,902,136**	**3,277,624**	**54,571.00**

NOTES:

1. 1 gigawatt hour (GW.h) = 1 million kilowatt hours.
2. Figures reported are for the 2006 calendar year. Customers reported are as at December 31, 2006.
3. Revenues and sales for BC Hydro and FortisBC Inc. are net of sales to other reporting electrical utilities identified in this table.
4. Effective May 19, 2006, Terasen Multi-Utility Services Inc. was sold by Kinder Morgan, Inc. to Corix Utilities and is operated as Corix Multi Utility Services Inc.
5. Effective December 8, 2006 Princeton Light & Power Company, Limited was acquired by FortisBC Inc. and PLP's utility stand-alone operations ceased on December 31, 2006 (Order No. G-159-06).

* 2005 data

Domestic Gas Sales - 2006

	Customers #	Revenue ($000)	Sales (GJ)(000)
INVESTOR-OWNED NATURAL GAS UTILITIES			
Terasen Gas Inc.[5]			
Lower Mainland Division	566,064	1,113,283	116,147
Inland Division	220,324	331,580	50,290
Columbia Division	21,649	35,692	5,500
Fort Nelson Division	2,354	5,282	889
Terasen Gas (Squamish) Inc.[5]	3,124	3,854	336
Terasen Gas (Vancouver Island) Inc.[5]			
Vancouver Island, Powell River and Sunshine Coast areas	87,364	172,438	28,144
Pacific Northern Gas (N.E.) Ltd.			
Fort St. John Inc./Dawson Creek Division	16,193	38,589	4,600
Tumbler Ridge Division	1,146	2,189	813
Pacific Northern Gas Ltd.	22,003	59,019	6,969
Corix Multi-Utility Services Inc.[6]			
Sun Rivers, Sonoma Pines, Panorama	512	1,112	54
TOTAL INVESTOR-OWNED	940,733	1,763,038	213,742
INVESTOR-OWNED PROPANE GRID SYSTEM UTILITIES			
CalGas Inc. - Kickinghorse	84	1,884	13
Big White Gas Utility Ltd.	186	886	39
Terasen Gas Inc. (Revelstoke)[5]	1,514	3,823	204
Terasen Gas (Squamish) Inc.[5,7,8]	0	3,876	337
Terasen Gas (Whistler) Inc.[5]	2,370	10,185	721
Corix Multi-Utility Services Inc.[6]			
CMUS - Panorama	190	946	43
Pacific Northern Gas Ltd.			
Granisle Grid	169	307	13
Port Alice Gas Inc.	263	419	16
Sun Peaks Utilities Co. Ltd.	760	1,722	75
Stargas Utilities Ltd.	210	626	33
Total Propane Grid Systems	5,746	24,674	1,494
TOTAL ALL GAS UTILITIES	**946,479**	**1,787,712**	**215,236**

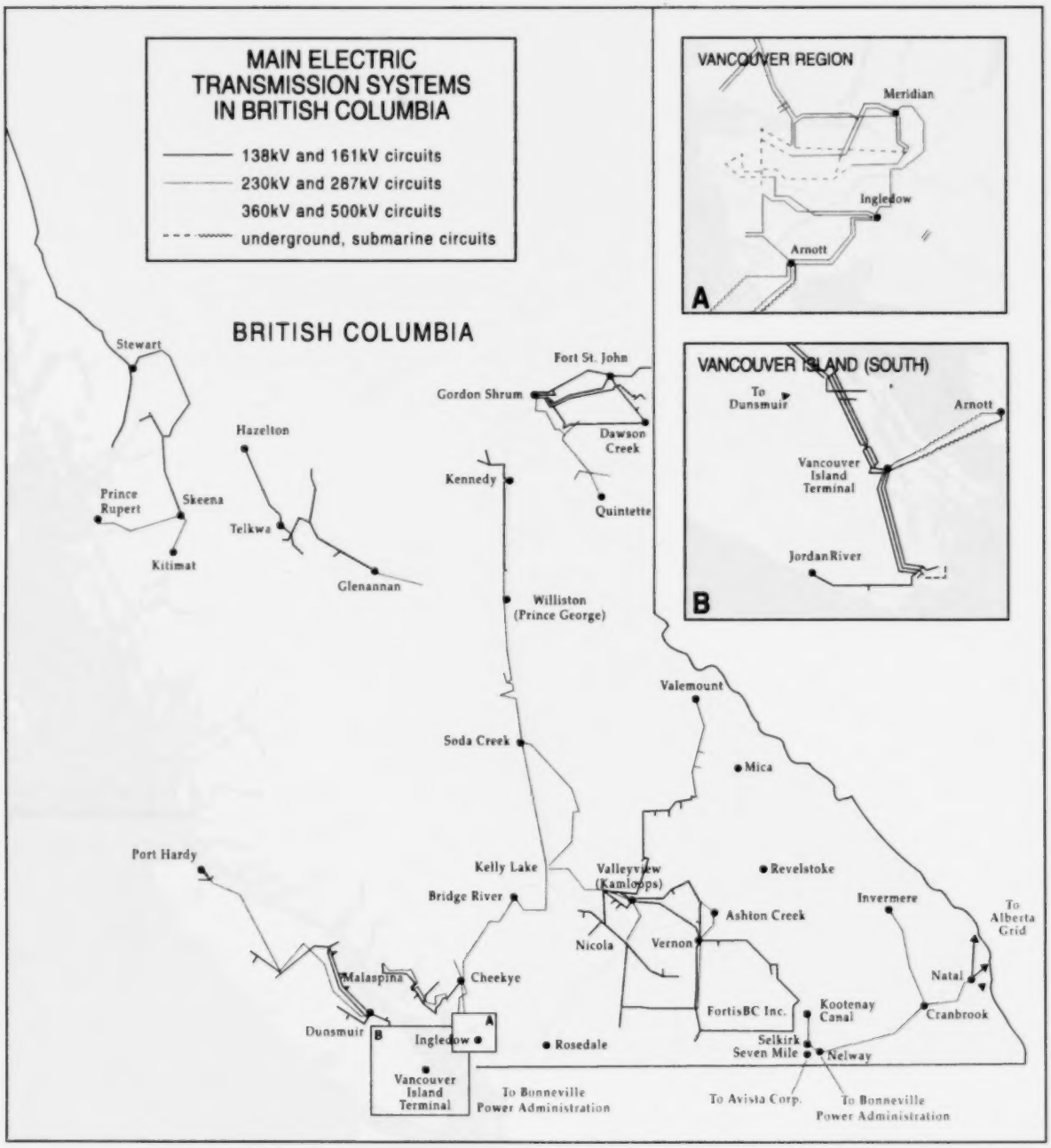
NOTES:

1. 1 gigajoule (GJ) is approximately equivalent to 0.910 mcf (mcf = one thousand cubic feet) or 0.0258 10^3m^3 of natural gas or 0.376 mcf of propane vapour in L.P. gas grid systems.

Domestic Gas Sales – 2006 – Notes (continued)

2. Figures reported are for the 2006 calendar year. Customers reported are as at December 31, 2006.
3. Sales of GJ shown include sales to end-use customers plus gas owned by customers and transported to their industrial operations by utilities.
4. Revenues reported for natural gas utilities include only transportation margins for large industrial customers who have purchased gas supplies directly from producers or aggregators.
5. On February 26, 2007 Fortis Inc. signed an agreement with Kinder Morgan Inc. to acquire all the shares of the Terasen Gas Utilities. On April 30, 2007 the Commission issued Order No. G-48-07 and its Reasons for Decision approving Fortis Inc.'s acquisition of the Terasen Gas Utilities.
6. Effective May 19, 2006, Terasen Multi-Utility Services Inc. was sold by Kinder Morgan, Inc. to Corix Utilities and is operated as Corix Multi Utility Services Inc.
7. Propane service in the Squamish service area ceased September 30, 2006 with customers switching to other heating forms or natural gas service.
8. Effective January 1, 2007, Terasen Squamish operations, billing and tariff were integrated with Terasen Gas Inc.

Main Electric Transmission and Power Generating Facilities



Gas Utilities in British Columbia
LEGEND
Terasen Gas Inc
Terasen Gas (Vancouver Island) Inc
Duke Energy Gas Transmission Canada
TransCanada Pipelines Limited
Pacific Northern Gas Ltd./Pacific Northern Gas (N.E.) Ltd.
Communities served by Terasen Gas (Vancouver Island) Inc
Communities served by Terasen Gas Inc
Communities served by Pacific Northern Gas Ltd./ Pacific Northern Gas (N.E.) Ltd
Port Alice served by Port Alice Gas Inc
Sun Peaks served by Sun Peaks Utilities Co., Ltd
Big White served by Big White Gas Utility Ltd.
Silver Star served by Sturgeo Utilities Ltd
Sun Rivers served by Corix Multi Utility Services Inc
Whistler served by Terasen Gas (Whistler) Inc
Kicking Horse Mountain Resort served by Cal-Gas Inc
Canyon Ridge served by Cal-Gas Inc
Panorama Mountain Resort served by Corix Multi Utility Services Inc
Sonoma Pines served by Corix Multi Utility Services Inc
Gateway Lakeview served by Terasen Energy Services Inc
NOTES: Duke Energy Gas Transmission Canada and TransCanada Pipelines Limited are regulated by the National Energy Board
BRITISH COLUMBIA
Fort Nelson
Pink Mountain
Fort St. John
Hudson Hope
Chetwynd
Dawson Creek
Tumbler Ridge
Mackenzie
Smithers
Granisle
Terrace
Prince Rupert
Kitimat
Houston
Bear Lake
Burns Lake
Fort St. James
Summit Lake
Salmon Valley
Endako
Vanderhoof
Fraser Lake
Shelley
Endako Mines
Prince George
Hixon
Dunkley
Quesnel
Kersley
Williams Lake
150 Mile House
Lac La Hache
100 Mile House
Clinton
Cache Creek
Ashcroft
Port Alice
Campbell River
Courtenay
Comox
Powell River
Parksville
Port Alberni
Nanaimo
Ladysmith
Duncan
Victoria
Sechelt
Squamish
Whistler
Kingsvale
Pemberton
Vancouver
Huntingdon
Hedley
Princeton
Summerland
Penticton
Naramata
Okanagan Falls
Kelowna
Big White
Winfield
Vernon
Coldstream
Lumby
Silver Star
Enderby
Armstrong
Salmon Arm
Sicamous
Chase
Sun Rivers
Sun Peaks
Kamloops
Logan Lake
Merritt
Highland Valley
Westsyde
Brenda Mines
Peachland
Oyama
Falkland
Gateway Lakeview
Sorrento
Blind Bay
Spallumcheen
Grindrod
Savona
Canyon Ridge
Revelstoke
Kicking Horse Resort
Golden
Panorama
Fernie
Elkford
Kimberley
Crestbrook
Sparwood
Cranbrook
Jaffray
Byron Creek
Creston
Yahk
Galloway
Grand Forks
Christina Lake
Castlegar
Robson
Nelson
Salmo
Rossland
Trail
Montrose
Fruitvale
Keremeos
Cawston
Oliver
Osoyoos
Rock Creek
Midway
Greenwood

Decisions, Reasons for Decision and Negotiated Settlements

The following summaries cover the period April 1, 2006 through March 31, 2007.

FORTISBC INC./BRITISH COLUMBIA HYDRO AND POWER AUTHORITY

1. Exemptions from the UCA regarding the Canal Plant Agreement and the FortisBC Entitlement Adjustment Agreement
2. Exemption from the UCA regarding the FortisBC CPA Subagreement
3. Application by British Columbia Transmission Corporation for Approval of the Canal Plant Support Agreement

Reasons for Decision appended to Order No. G-41-06 dated April 11, 2006

On August 19, 2005, FortisBC and BC Hydro filed a joint application regarding an amended and restated Canal Plant Agreement and related FortisBC Entitlement Adjustment Agreement. FortisBC and BC Hydro seek, pursuant to Section 88(3) of the UCA, to be exempted from all provisions of the UCA, to the extent that the UCA may apply to the 2005 CPA and the Adjustment Agreement. FortisBC also filed a CPA Subagreement seeking, pursuant to Section 88(3) of the UCA, to be exempted from all provisions of the UCA, to the extent that the UCA may apply to the CPA Subagreement.

On August 31, 2005, BCTC applied to the Commission for approval of a Canal Plant Support Agreement pursuant to Section 61(1) of the UCA.

Commission Order No. G-95-05 dated September 30, 2005, established a written process for the examination of the Applications from BC Hydro, FortisBC and BCTC.

By Order in Council No. 200, 2006 dated March 30, 2006, the Lieutenant Governor in Council granted advance approval to the Commission for the exemptions requested by FortisBC and BC Hydro.

Following consideration of the Applications from FortisBC, BC Hydro and BCTC, the Commission approved the Applications by Order No. G-41-06 and its Reasons for Decision.

PRINCETON LIGHT AND POWER COMPANY, LIMITED

Deferral of Extraordinary Legal Costs

Reasons for Decision appended to Order No. G-42-06 dated April 11, 2006

On November 18, 2005, PLP applied pursuant to Section 56(1) of the UCA for approval to record extraordinary legal and penalty costs incurred due to the outcome of the BC Supreme Court trial and unsuccessful appeal of a power theft case. The Application proposes to establish a depreciation (deferred) account to record $141,062 incurred in fiscal 2006 representing the awarded costs of approximately $20,000 for compensatory damages and $62,000 for punitive damages and Princeton's legal costs of $59,062 in a rate base deferral account. PLP proposes to amortize the deferral account balance over sixty months commencing January 2006 to avoid rate shock to its customers.

On April 11, 2006 the Commission issued Order No. G-42-06 and its Reasons for Decision approving the establishment of a rate base deferral account to recover Princeton's extraordinary legal fees and disbursements of $59,062 and the compensatory damage award of approximately $20,000 is approved effective November 18, 2005, and the amortization of this deferral account balance over sixty months commencing January 2006. The Commission also denied the recovery from customers of the punitive damages of $62,000.

0745848 B.C. LTD.
Acquisition of the Common Shares of Terasen Utility Services Inc.
Reasons for Decision appended to Order No. G-52-06 dated May 11, 2006

On January 30, 2006, 0745848 B.C. Ltd. applied pursuant to Section 54 of the UCA for an order approving the acquisition of the common shares of Terasen Utility Services Inc. from Terasen Inc., which would cause the Applicant to have indirect control of Terasen Multi-Utility Services Inc., a public utility as defined in the UCA and is regulated by the Commission.

Commission Order No. G-15-06 dated February 17, 2006 established a written hearing process to review the Application.

Following a review of the Application and submissions obtained during the written hearing process, the Commission issued Order No. G-52-06 and its Reasons for Decision which determined that the public utility and the users of the service would not be detrimentally affected by the proposed acquisition.

TERASEN GAS (WHISTLER) INC.

1. Review of 2005 Resource Plan Update
2. Certificate of Public Convenience and Necessity to convert its propane grid system to natural gas and approval to enter into a Natural Gas Transportation Service Agreement with Terasen Gas (Vancouver Island) Inc.

TERASEN GAS (VANCOUVER ISLAND) INC.

1. Certificate of Public Convenience and Necessity for a natural gas pipeline lateral from Squamish to Whistler

Decision and Order No. G-53-06 dated May 18, 2006

On December 12, 2005, TGW filed its 2005 Resource Plan Update that provides an assessment of the current and future energy requirements at the Resort Municipality of Whistler and concludes that the existing propane grid system should be converted to natural gas.

On December 16, 2005, TGW filed its application for a CPCN to convert its system to natural gas and for approval to enter into a long-term natural gas transportation agreement with TGVI. TGW also requests approval to make a capital contribution to TGVI and to add the contribution to rate base, to amortize the net book value of the propane facilities and to recover pipeline study costs incurred prior to 2004.

On December 16, 2005, TGVI filed its application for a CPCN for construction of a natural gas pipeline lateral to connect RMOW to the TGVI transmission system at Squamish and to enter into a Transportation Service Agreement with TGW.

Order No. G-23-06 dated January 26, 2006 established a Written Hearing Process to review the Applications and set out the Regulatory Timetable.

The Commission considered the Applications and the evidence and submissions presented to it and issued Order No. G-53-06 and Decision approving the Applications.

TERASEN GAS INC.
Rate Schedules 7, 10 and 14A for Market-Based Commodity Rates for the 2006/07 Gas Contract Year
Reasons for Decision appended to Order No. G-54-06 dated May 18, 2006

On March 8, 2006, Terasen Gas filed an application regarding Rate Schedules 7, 10 and 14A for approval of market-based gas commodity rates for the gas contract year commencing November 1, 2006 and ending October 31, 2007 (the "2006/07 gas contract year"). The Application was made pursuant to the Commission's decision on Terasen's market-based commodity rates for the 2005/06 gas contract year for Rate Schedule 7 – bundled General Interruptible Service, Rate Schedule 10 – commodity Large Volume Interruptible Sales, and Rate Schedules 14A – Commodity Term and Spot Gas Sales (Order No. G-39-05 and Reasons for Decision).

The Application proposed the current terms of service continue in effect for the 2006/07 gas contract year for the most part, but also requested approval that the Annual Fixed Rate Option under Rate Schedule 14A be eliminated for 2006/07. On March 13, 2006, the Commission invited written comments on the Application from interested parties and received comments from Avista Energy Canada, Ltd., Direct Energy Marketing Limited. On April 13, 2006, Terasen Gas submitted its reply to the comments that were filed regarding the Application.

Following a review of the Application and the written submissions, the Commission issued Order No. G-54-06 and its Reasons for Decision approving the market-based rates for the 2006/07 gas contract year.

FORTISBC INC.
2006 Revenue Requirements and Establishment of Multi-Year
Performance Based Regulation Mechanism
Negotiated Settlement appended to Order No. G-58-06 dated May 23, 2006

On November 24, 2005, FortisBC filed its 2006 Revenue Requirements Application for approval and to establish a Multi-Year Performance Based Regulation Mechanism with the Commission pursuant to Sections 60 and 61 of the UCA. The Application requested an interim rate increase of 5.9 percent, effective January 1, 2006. The increase is based, in part, on significant capital expenditures, a change in the amortization rates for various assets and an increase in the amount of overheads charged to capital. The Application also proposed a Performance Based Regulation mechanism to determine Revenue Requirements for the years 2007 to 2009.

By Order No. G-130-05 dated December 2, 2005, the Commission approved an interim rate increase of 5.9 percent effective January 1, 2006, and established a regulatory timetable for an Annual Review and Workshop.

On February 14, 2005, FortisBC filed its Evidentiary Update with a net reduction in the rate increase from 5.9 percent to 4.6 percent. The rate increase was further revised to 5.8 percent on April 11, 2006 pursuant to Commission Order No. G-14-06 amending the Automatic Adjustment Mechanism for setting Return on Equity ("ROE") which increased FortisBC's allowed ROE from 8.69 percent to 9.20 percent effective January 1, 2006.

By Order No. G-13-06, the Commission established a regulatory timetable for a Negotiated Settlement Process for reviewing the Application. The Negotiated Settlement discussions regarding the Application were held on April 18 and 19, 2006, and a proposed Settlement Agreement with a net rate increase of 5.9 percent was agreed to by FortisBC and most of the Intervenors.

Following a review of the proposed Settlement Agreement the Commission issued Order No. G-58-06 approving the Settlement Agreement for FortisBC's 2006 Revenue Requirements and the Multi-Year Performance Based Regulation Plan for 2007 to 2009 and confirmed the interim rates established by Order No. G-130-05 as permanent rates effective January 1, 2006.

FORTISBC INC.
Nk'Mip Certificate of Public Convenience and Necessity
Decision and Order No. C-1-06 dated June 2, 2006

On October 12, 2005 FortisBC applied for a CPCN for the Nk'Mip Transmission and Substation Project. An Oral Public Hearing was held in Osoyoos on March 20 and 21, 2006.

Following a review of the Application and submissions obtained during the oral public hearing process the Commission granted a CPCN to FortisBC's modified Option 2 as offering the most practical long term solutions to the issues facing Osoyoos, and upon complying with the conditions set out in the Decision.

SUN PEAKS UTILITIES CO., LTD.
2006/07 Revenue Requirements
Reasons for Decision appended to Order No. G-60-07 dated June 12, 2007

On September 26, 2006, Sun Peaks filed its 2006/07 Revenue Requirements Application to amend its rates on an interim and final basis, effective October 1, 2006, pursuant to Sections 58 and 89 of the UCA. The Application proposed to increase the monthly basic charge by 20 percent and the delivery rates by $0.36/GJ for all customer classes. A written public hearing process was established to review the Application.

Following the review of the Application by Sun Peaks to Alter Rates and the evidence adduced thereon, the Commission issued Order G-60-07 for Sun Peaks to recalculate 2006/07 rates and to refile rate schedules in accordance with the Reasons for Decision.

BRITISH COLUMBIA TRANSMISSION CORPORATION
Transmission System Capital Plan F2006 to F2015 Update
Decision and Order No. G-67-06 dated June 14, 2006

BCTC filed a Transmission System Capital Plan Update (the "Update") on January 27, 2006 and an amendment to that Update filing on February 20, 2006. On March 30, 2006, the Commission issued Order No. G-35-06 establishing a written public hearing process and a regulatory timetable.

Following a review of the Application and evidence filed during the written hearing process, the Commission, pursuant to Sections 45 and 99 of the UCA, determined that the capital expenditures related to the projects listed in the Decision beginning in F2006 and F2007, are in the public interest.

TERASEN GAS INC.
Replacement and Upgrading of the Vancouver Low-Pressure Gas Distribution System
Certificate of Public Convenience and Necessity
Decision and Order No. C-2-06 dated June 26, 2006

On May 11, 2006, Terasen Gas filed an application pursuant to Section 45 of the UCA requesting approval of a Certificate of Public Convenience and Necessity for the replacement and upgrading of the Vancouver Low-Pressure Gas Distribution System. The replacement and upgrade would be carried out in 2006, 2007 and 2008, involving the replacement of approximately 95 kilometres of gas mains and 7,100 gas service lines and is estimated to cost $23,747,000. A written comment process was established for the review of the CPCN Application.

Upon review of the Application, evidence and submissions presented to it the Commission issued its Decision granting a CPCN to Terasen Gas for the replacement and upgrading of the Vancouver Low-Pressure Gas Distribution System.

TERASEN GAS (WHISTLER) INC./TERASEN GAS (VANCOUVER ISLAND) INC.
Reconsideration Application of the Commission's Decision on the TGW/TGVI Squamish to Whistler Pipeline and Whistler Propane Grid Conversion Certificate of Public Convenience and Necessity Applications
Reasons for Decision appended to Order No. G-76-06 dated June 27, 2006

On June 9, 2006 the TGW and TGVI filed an Application for Reconsideration of the Commission's May 19, 2006 Decision and Order No. G-53-06 limited to reconsideration of the cost risk sharing mechanism. By Letter No. L-28-06 dated June 14, 2006 the Commission allowed reconsideration of this single matter.

Following consideration of the Application and the evidence and submissions presented to it the Commission issued its Reasons for Decision approving an amendment to the cost risk sharing mechanism.

TERASEN GAS (WHISTLER) INC.

- Review of Terasen Gas (Whistler)'s 2005 Resource Plan Update
- Certificate of Public Convenience and Necessity to convert the Terasen Gas (Whistler) propane grid system to natural gas and approval to enter into a Natural Gas Transportation Service Agreement with Terasen Gas (Vancouver Island) Inc.

Certificate of Public Convenience and Necessity Order No. C-3-06 dated June 27, 2006

Following the issuance of the Commission's Decision and Order No. G-53-06 dated May 18, 2006, on June 2, 2006, the Companies filed a letter with the Commission accepting the conditions precedent but stating that the cost sharing mechanism for the IP Pipeline could not be implemented in a practical manner.

An Oral Hearing to reconsider the single matter of the IP Pipeline cost sharing mechanism was held and the Commission issued Order No. G-76-06 amending the cost risk sharing mechanism. The Commission has determined that the Companies' response meets the conditions precedent set out in Orders No. G-53-06 and G-76-06 and granted the following pursuant to Section 45 of the UCA:

1. A CPCN to Terasen Gas (Vancouver Island) Inc. to construct an IP Pipeline to connect Whistler with its high pressure transmission system at Squamish.

2. A CPCN to Terasen Gas (Whistler) Inc. to convert its system to natural gas.

TERASEN GAS (SQUAMISH) INC.
Approval to Cease Operation of Metered Bulk Propane Service
Reasons for Decision appended to Order No. G-80-06 dated June 30, 2006

On May 1, 2006, Terasen Squamish filed for approval to cease operation of metered bulk propane service and eliminate the Schedule 1 General Service Propane Rate, effective June 15, 2006 pursuant to Section 41 of the UCA. The Application proposes to cease operation of metered bulk propane service to 24 customers (21 residential and 3 commercial) currently receiving this service from Terasen Squamish.

Following a review of the Application and Terasen Squamish's responses to Commission Information Requests, the Commission issued its Reasons for Decision approving the application to cease bottled propane service and eliminate the Rate Schedule 1 General Service Propane Rate as of September 30, 2006.

INSURANCE CORPORATION OF BRITISH COLUMBIA
2006 Revenue Requirements and Other Financial Filings
Decision and Order No. G-86-06 dated July 13, 2006

On August 22, 2005, ICBC submitted an application for approval of the 2006 Revenue Requirements for Universal Compulsory Automobile Insurance ("Basic Insurance"), a filing relating to ICBC's Basic Insurance Capital Management Plan, an application for approval of refinements to certain performance measures, a filing of information on seven financial allocation functions and an application for approval of changes to certain allocation functions. The Application is in response to the directive in Letter No. L-40-05 and directives issued by the Commission in its Decision dated January 19, 2005 and includes additional information and applications. In the Application, ICBC advised that it is not applying for a change to Universal Compulsory Automobile Insurance rates.

The Commission subsequently issued Orders No. G-78-05, G-85-05, G-108-05, G-117-05, G-125-05, G-142-05, G-2-06 and Letter No. L-88-05 dealing with various aspects of the Application and the October 24, 2005 and January 27, 2006 revisions thereto. The Orders and the Letter provide detailed information about the significant events and actions, which have occurred in the proceeding to-date.

In the January 27, 2006 revision ICBC applied for an increase in Basic Insurance rates of 6.5 percent for all new or renewal policies with an effective date after March 14, 2006. ICBC also applied for this increase in Basic Insurance rates for all new or renewal policies with an effective date after March 14, 2006, on an interim basis, pursuant to Section 89 of the UCA. ICBC also requested that, if in the Commission's final decision relating to its application it is determined that a portion of the interim increase be refunded, any refunds be dealt with in the manner set out in Appendix A of the January 27, 2006 revision.

Following a review of the Application and evidence filed at the oral public hearing, the Commission Panel issued its Decision and Order No. G-86-06 approving the 6.5 percent increase in Basic Insurance rates for all new or renewal policies with an effective date after March 14, 2006.

PRINCETON LIGHT & POWER COMPANY, LIMITED
2006 Revenue Requirements and Pass-through of Increased Power Purchase Costs
Reasons for Decision appended to Order No. G-65-06 dated July 18, 2006

On December 14, 2005, PLP filed, pursuant to the applicable provisions of the UCA, and in particular Section 61(4), its 2006 Revenue Requirements Application seeking approval for increases in its Service Charges, Access Charges, and Energy Charges, effective January 1, 2006. On April 7, 2006, PLP provided a Revised Application requesting increases in the Service Charges, Access Charges and Energy Charges of 0.71 percent, 9.54 percent and 5.9 percent, respectively, effective January 1, 2006. The Revised Application also requests that the increase for Access Charges be changed from 9.54 percent to 11.92 percent, effective July 1, 2006. In its Revised Application, PLP does not expect to achieve its fully allowed 2006 return on equity of 9.55 percent.

A written hearing process on the Application was conducted from January 6, 2006 through March 16, 2006, in accordance with Commission Order No. G-139-05.

Following a review of the Application and supporting documentation filed during the written hearing, the Commission issued Order No. G-65-06 and Reasons for Decision approving the following:

- a permanent overall increase in Energy Charges of 5.9 percent, effective January 1, 2006.
- permanent increases to Service Charges of 0.71 percent and Access Charges of 9.54 percent, effective January 1, 2006.

- a permanent increase to Access Charges from the 9.54 percent to 11.92 percent, effective July 1, 2006.

FORTISBC INC.
Kettle Valley Distribution Source Project Certificate of Public Convenience and Necessity
Reasons for Decision appended to Order No. C-5-06 dated August 9, 2006

On October 11, 2005, FortisBC applied for a CPCN for the Kettle Valley Distribution Source Project. The Project was identified in FortisBC's November 26, 2004 System Development Plan for 2005-2024 to address system reliability for the Boundary Area. A Written Hearing process was established by the Commission (Order No. G-115-05) for the review of the Application. Three options were submitted for the solution to reliability and supply problems for the Boundary Area, with Option 2 in accordance with the Commission's Determination set out in the Reasons for Decision as being the preferred option.

Following the review of the Application and evidence submitted during the written hearing, the Commission granted a CPCN to FortisBC for the Project and issued Order No. C-5-06 and its Reasons for Decision.

TERASEN GAS INC.
Residential Unbundling Program Certificate of Public Convenience and Necessity
Decision and Order No. C-6-06 dated August 14, 2006

On April 13, 2006, Terasen Gas applied for approval of a CPCN for the Commodity Unbundling Project for Residential Customers pursuant to Section 45 of the UCA, to implement effective November 1, 2007, unbundling for residential customers in its service territory (excluding Fort Nelson and Revelstoke). Terasen Gas expects that the additional capital expenditure will be $11.1 million for a total of $12.5 million. The Application also requests Commission approval of a deferral account mechanism for cost recovery of the implementation and operating costs, and changes to tariffs and agreements to support the Residential Commodity Unbundling Project.

Commission Order No. G-46-06 dated April 28, 2006 determined that the Application would be examined through an Oral Public Hearing and issued its Regulatory Timetable.

On August 14, 2006, the Commission issued CPCN Order No. C-6-06 and its Decision which determined that the Residential Commodity Unbundling Project is in the public interest subject to the conditions and changes that are set out in the Order and the Decision.

PACIFIC NORTHERN GAS LTD.
2006 Rates for PNG-West and Granisle
Reasons for Decision appended to Order No. G-99-06 dated August 21, 2006

On November 30, 2005, PNG filed for approval of its 2006 Revenue Requirements Application to amend its rates on an interim and final basis, effective January 1, 2006, pursuant to Sections 89 and 58 of the UCA. The Application proposes to increase delivery rates to all customers, except Methanex Corporation ("Methanex") and West Fraser-Kitimat, as a result of decreases in cost of service and decreased deliveries to most customer classes. Methanex and West Fraser have contracts in place that provide for fixed demand charges over the term of the contracts. Methanex closed its methanol/ammonia complex in Kitimat in November 2005 and the Methanex contract terminated effective March 1, 2006. PNG's 2006 margin forecast includes fixed demand charges for January and February 2006 under the terms of the Methanex contract.

The Negotiated Settlement discussions were held in Vancouver on March 13 to 15, 2006 and a proposed Settlement Agreement that would reduce PNG's revenue deficiency to $4.091 million was circulated on March 31, 2006 to the Intervenors and PNG for comment.

Following consideration of the Application, the evidence adduced in relation thereto, the submissions and Written Argument, the Commission issued its Reasons for Decision approving the PNG Application subject to the required adjustments set out in the Reasons for Decision pursuant to Sections 58, 60 and 61 of the UCA.

PACIFIC NORTHERN GAS (N.E.) LTD.
2006 Rates for the Fort St. John/Dawson Creek and Tumbler Ridge Divisions
Reasons for Decision appended to Order No. G-100-06 dated August 21, 2006

On November 30, 2005, PNG (N.E.) filed its 2006 Revenue Requirements Application for Commission approval. PNG (N.E.) proposed to amend its rates on an interim and final basis, effective January 1, 2006, pursuant to Sections 89 and 58 of the UCA. The Application proposes to increase delivery rates to all customers primarily as a result of increases in the cost of service, including the cost of company use gas.

The Negotiated Settlement discussions were held in Vancouver on March 13, 14 and 15, 2006 and a proposed Settlement Agreement regarding the Application was agreed to by PNG (N.E.) and the Intervenors.

Following a review of the Negotiated Settlement Agreement the Commission issued its Reasons for Decision accepting the Terms of the Negotiated Settlement Agreement along with the supporting schedules showing the effects of the changes arising from the Negotiated Settlement Agreement.

TERASEN GAS INC.
Reconsideration of Order No. G-98-05 and Reasons for Decision
Denial of Recovery of Inland Pacific Connector Development Costs
Reasons for Decision appended to Order No. G-104-06 dated August 23, 2006

On March 21, 2006, Terasen Gas applied for reconsideration and variance of a portion of Commission Order No. G-98-05 and Reasons for Decision dated October 5, 2005 that denied recovery of Inland Pacific Connector development costs from Terasen Gas customers (the "Reconsideration Application").

By letter dated March 31, 2006, the Commission established a written comment process on the Reconsideration Application, to address the first phase issue of whether a reasonable basis exists to allow a reconsideration.

The Commission received written submissions dated April 20, 2006 from B.C. Old Age Pensioners' Organization *et al.*, and from Weyerhaeuser Company Ltd., Teck Cominco Metals Ltd., Zellstoff Celgar Limited and Canadian Forest Products Ltd. (the "Inland Industrials"). By letter dated April 18, 2006 BC Hydro advised that it did not have specific comments on the Reconsideration Application; and by letter dated April 21, 2006 the Commercial Energy Consumers Association of British Columbia advised that it supported the submissions of the BC Old Age Pensioners Organization *et al.* On May 4, 2006, Terasen Gas replied to the submissions of BCOAPO and the Inland Industrials.

Following a review of the Application and the submissions the Commission determined that for each of the seven Grounds on which the Reconsideration Application is made, the claims that the Commission erred in fact and law, introduced a new principle or test that had not been raised in the proceeding, and failed to address the issue before it were not substantiated on a prima facie basis. The Commission, therefore, denied the Reconsideration Application.

FORTISBC INC.
Big White Supply Project Certificate of Public Convenience and Necessity
Decision and Order No. C-17-06 dated September 14, 2006

On March 9, 2006, FortisBC applied for a CPCN, pursuant to Sections 45 and 46 of the UCA, for the Big White Supply Project.

An Oral Public Hearing was held in Kelowna on July 4 and 5, 2006 for the review of the Application.

Upon review of the Application and evidence filed during the public hearing process, the Commission issued a CPCN to FortisBC for Option 1 subject to the Utility meeting the condition set out in the Decision.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Energy Supply Contracts – Fiscal 2006 Call Electricity Purchase Agreements
Reasons for Decision appended to Order No. E-7-06 dated September 21, 2006

On September 5, 2006, BC Hydro submitted the 38 Electricity Purchase Agreements, pursuant to Section 71 of the UCA, which resulted from the F2006 Call as Energy Supply Contracts ("ESC") totalling 7,125 GW.h of firm and non-firm energy. BC Hydro requested that the Commission hold the ESC and the summary information on bid prices by project on a confidential basis.

The Commission reviewed the ESC in the context of the 2005 REAP Settlement and the Report and in relation to the requirements of Section 71 of the UCA, and determined that the ESC should be accepted for filing pursuant to Section 71 of the UCA. The Commission's Reasons for Decision were appended to Order No. E-7-06.

BRITISH COLUMBIA TRANSMISSION CORPORATION
Certificate of Public Convenience and Necessity for the Vancouver Island Transmission Reinforcement Project
Sea Breeze Victoria Converter Corporation Application for Reconsideration of the July 7, 2006 Decision
Reasons for Decision appended to Order No. G-124-06 dated October 6, 2006

On September 15, 2006, Sea Breeze Victoria Converter Corporation ("Sea Breeze") requested a reconsideration of the VITR Decision dated July 7, 2006 ("VITR Decision") stating that the Commission "erred in its assessment of the wheeling costs attributable to the Juan de Fuca project in the amount of $10.2 million per year, the present value of which, coupled with system losses, was calculated to be $153.5 million over 40 years, as well as failing to properly take into account the revenues attributable to the Juan de Fuca project, and which ought to have been considered as part of the Commission's cost-benefit analysis for the purpose of the project comparison". By letter dated September 18, 2006, the Commission established a first phase process for the Reconsideration Application. The first phase process provided an opportunity for written comments from BCTC, Intervenors and Interested Parties on September 26, 2006 with written reply from Sea Breeze by October 4, 2006.

Following a review of the application and the submissions, the Commission issued Order No. G-124-06 and Reasons for Decision denying the Sea Breeze Reconsideration Application.

BRITISH COLUMBIA TRANSMISSION CORPORATION
Certificate of Public Convenience and Necessity for the
Vancouver Island Transmission Reinforcement Project
Ms. Pam Sutherland, Dr. Kyong Name and Mr. Mark Warwarick Application for Reconsideration
of Order No. C-4-06 and the July 7, 2006 Decision
Reasons for Decision appended to Order No. G-125-06 dated October 6, 2006

By letter dated August 7, 2006, Ms. Pam Sutherland, Dr. Kyong Nam, and Mr. Mark Warwarick ("Sutherland et al.") requested a reconsideration of the VITR Decision dated July 7, 2006 alleging that the Commission had made errors both in fact and in law and that the errors have significant material implications to the Tsawwassen homeowners. The grounds that are relied on relate to the Tsawwassen First Nation Right of Way Agreement, the extent of BCTC's discussions with the Tsawwassen First Nation, and the existing Right of Way Agreements in Tsawwassen. By letter dated August 11, 2006, the Commission established a first phase process for the Reconsideration Application.

Following a review of the Application and subsequent submissions, the Commission issued Order No. G-125-06 and Reasons for Decision denying the Sutherland et al. Reconsideration Application.

BRITISH COLUMBIA TRANSMISSION CORPORATION
Network Economy and Open Access Transmission Tariff
Settlement Agreement appended to Order No. G-127-06 dated October 19, 2006

In accordance with the Network Economy ("NE") Decision, BCTC applied on March 1, 2006, pursuant to Sections 58 to 61 of the UCA, for approval of tariff terms and conditions relating to the provision of Network Economy service. BCTC sought approval of: (i) revisions to Section 28.4 of BCTC's Open Access Transmission Tariff ("OATT"); (ii) a new Attachment Q to the OATT providing terms and conditions for Network Economy service; and (iii) the terms and conditions of Tariff Supplement BCTC-1, specific to BC Hydro, all of which were included at Appendix A of the Application.

Two Procedural Conferences and a Negotiated Settlement Process were established to review the Application.

Following a review of the September 22, 2006 Settlement Agreement the Commission issued Order No. G-127-06 approving the agreement.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Transmission Service Rates Customer Baseline Load
Reasons for Decision appended to Order No. G-138-06 dated November 8, 2006

BC Hydro filed on March 1, 2006, pursuant to Sections 58 to 61 of the UCA, an application for approval of the Customer Baseline Load ("CBL") for each customer account to be served under BC Hydro's Stepped Rate, Rate Schedule 1823. By Order No. G-92-06, the Commission Panel established a written hearing process between August 11 and September 22, 2006, to review the customer disputes, each dispute to be treated as a separate process involving the customer, BC Hydro and the Commission. The regulatory schedule contemplated an oral phase of argument, as necessary, on any dispute for which BC Hydro and customer agreement was not reached and for which the Commission Panel wished to hear further submissions before rendering a decision.

The written hearing process concluded on September 22, 2006, with Final Submissions by parties on the two remaining CBL disputes between BC Hydro and Highland Valley Copper and between BC Hydro and Canadian Forest Products Ltd. - Taylor Pulp Mill.

Following consideration of the evidence filed during the proceeding the Commission issued its Reasons for Decision approving the following:

1. The final customer CBLs filed by BC Hydro on September 28, 2006 (Exhibit B-16).

2. A CBL adjustment of 3.75 GWh for Highland Valley Copper.

3. The CBL adjustment request of 466,708 kWh by Canadian Forest Products Ltd. - Taylor Pulp Mill.

BRITISH COLUMBIA TRANSMISSION CORPORATION
F2007 Transmission Revenue Requirement
Negotiated Settlement appended to Order No. G-139-06 dated November 9, 2006

On May 26, 2006, BCTC filed for approval of its F2007 Revenue Requirement Application, pursuant to Sections 58 and 89 of the UCA. The Application seeks approval of permanent rates effective April 1, 2006 and to further amend on an interim basis the current interim rates effective July 1, 2006 to reflect a F2007 Transmission Revenue Requirement decrease of 7.4 percent or $42.2 million from the F2006 Transmission Revenue Requirement.

A Negotiated Settlement Process was established to review the Application commencing September 25, 2006. A proposed Settlement Agreement was agreed to by BCTC and Intervenors with assistance from Commission Staff.

Upon reviewing the proposed Settlement Agreement and the comments related thereto and, noting the concerns expressed by BC Hydro and the support of all parties, the Commission approved the Settlement Agreement and directed BCTC to refund any overpayment in rates with interest calculated at the average prime rate of the principal bank with which BCTC conducts its business.

BRITISH COLUMBIA TRANSMISSION CORPORATION
Certificate of Public Convenience and Necessity for the Vancouver Island Transmission Reinforcement Project
Tsawwassen Residents Against Higher Voltage Overhead Lines
Application for Reconsideration of Order No. C-4-06 and the July 7, 2006 Decision
Reasons for Decision appended to Order No. G-141-06 dated November 9, 2006

By letter dated October 11, 2006, the Tsawwassen Residents Against Higher Voltage Overhead Lines ("TRAHVOL") applied for a reconsideration of the VITR Decision dated July 7, 2006 ("VITR Decision"). By letter dated October 12, 2006, the Commission established a first phase process for the Reconsideration Application.

Following a review of the application and the submissions, the Commission issued Order No. G-125-06 and Reasons for Decision denying the TRAHVOL Reconsideration Application.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
F2007 and F2008 Revenue Requirements
Negotiated Settlement appended to Order No. G-143-06, dated November 10, 2006

By Order No. G-32-06 dated March 23, 2006, the Commission approved BC Hydro's March 15, 2006 application for approval to set its current customer rates as interim effective April 1, 2006. On May 25, 2006 BC Hydro filed its F2007 and F2008 Revenue Requirements Application. The Commission established a negotiated settlement process for the review of the Application which commenced on October 16, 2006, and at which a Negotiated Settlement Agreement dated November 2, 2006 was reached.

On November 10, 2006, the Commission issued Order No. G-143-06 approving the Settlement Agreement.

FORTISBC INC.
Certificate of Public Convenience and Necessity for the Automated Mapping/Facilities Management/Geographical Information System Transition Project
Reasons for Decision appended to Order No. C-20-06 dated November 16, 2006

On August 26, 2006, FortisBC applied for a CPCN for the Automated Mapping/Facilities Management/Geographical Information System ("AM/FM/GIS") Transition Project. The AM/FM/GIS is used to collect, manage and report information about a utility's distribution and transmission facilities, to support the effective management and operation of these assets and planning for growth and change. The Project would replace the current AM/FM/GIS with the ArcFM System supplied by Environmental System Research Institute Inc., at an estimated cost of $2.7 million. By Order No. G-113-06, the Commission established a Regulatory Timetable for a written hearing process to review the Application.

Following consideration of the Application and the other evidence and submissions filed in this matter, the Commission granted FortisBC a CPCN for the Project, and issued its Reasons for Decision.

FORTISBC INC.
2007-2008 Capital Expenditure Plan and Review of 2007 System Development Plan Update
Reasons for Decision appended to Order No. G-147-06 dated November 24, 2006

On July 26, 2006, FortisBC filed its 2007-2008 Capital Expenditure Plan ("CEP") and 2007 System Development Plan Update. FortisBC is seeking approval of the proposed capital expenditures for a two-year period. The Commission, on September 7, 2005 and by Order No. G-97-06, established a written public hearing process that concluded with the receipt of FortisBC's written reply to Intervenor comments on October 13, 2006.

Following consideration of the Application, evidence, and submissions of Intervenors and the Applicant the Commission issued Order No. G-147-06 and its Reasons for Decision which includes the following determinations.

- The CEP meets the requirements of Sections 45(6) and 45(6.1) (a) and (c) of the UCA.
- The Capital Expenditures, as approved in the Reasons for Decision attached to the Order, are in the public interest pursuant to Section 45(6.2) (b) of the UCA.

- FortisBC is directed to file, at a time of its choosing, an application for a Certificate of Public Convenience and Necessity for the Benvoulin Substation Project and the Castlegar Area Capacity Increase (Ootischenia Substation) Project and to comply with all other determinations and instructions set out in the Commission's Reasons for Decision attached as Appendix A to this Order.

- FortisBC is directed to provide a progress update in 2007 for the 2007/08 CEP, during the 2007 Annual Review.

DIRECT ENERGY MARKETING LIMITED
Revision to the Code of Conduct for Gas Marketers as it applies to Commercial Customers with Annual Volumes that Exceed 2,000 Gigajoules per Year
Reasons for Decision appended to Order No. G-150-06 dated December 4, 2006

On October 6, 2006, DEML applied to the Commission for an exemption from the 10-day cooling off period requirement for "sophisticated" small commercial customers participating in the Commercial Unbundling program. In its October 11, 2006 letter, the Commission proposed a change to this Article and then requested comments on DEML's Application from registered participants in the Residential and Commercial Unbundling hearing processes and the Commission's proposal as well. The DEML Application was reviewed by interested parties and comments were received from Avista Energy Canada Ltd., CEG Energy Options Inc., the British Columbia Public Interest Advocacy Centre and Terasen Gas.

Following consideration of the Application and Submissions presented, the Commission issued Order No. G-150-06 and Reasons for Decision approving amendments to the Code of Conduct for Gas Marketers, pursuant to Section 61 of the UCA.

FORTIS PACIFIC HOLDINGS INC./FORTISBC INC./PRINCETON LIGHT & POWER COMPANY, LIMITED
Transfer of PLP Shares and Assets for FortisBC Inc. and the Wind-up of PLP
Order No. G-159-06 dated December 8, 2006

On August 18, 2006, FortisBC, Fortis Pacific Holdings Inc. and PLP applied, pursuant to Sections 41, 50, 52, 53 and 54 of the UCA, and subject to the necessary consent of the Lieutenant Governor in Council for approval to transfer PLP shares and assets to FortisBC and the wind up of PLP.

A written hearing process and regulatory timetable were established to review the Application.

Following the review of the Application and evidence filed, the Commission approved the Application pursuant to Sections 41, 50, 52, 53 and 54 of the UCA.

TERASEN ENERGY SERVICES INC.
Certificate of Public Convenience and Necessity for the Propane Gas Distribution System for Gateway Lakeview Estates and a Rate Tariff and General Terms and Conditions of Service and Deferral Accounts
Reasons for Decision appended to Order No. C-22-06 dated December 14, 2006

On September 6, 2006, Terasen Energy Services Inc. ("TES") applied for a CPCN for the construction of an underground propane gas distribution grid system for a resort community located at Lee Creek, British Columbia (the "Project") and for approval of a proposed Gas Tariff Rate and General Terms and Conditions of Service ("Propane Tariff") and approval of a revenue deficiency deferral account, an outsource billing and meter costs deferral account, and a propane cost deferral account (the "Application").

By Order No. G-119-06, a Written Public Hearing was established to review the Application and a Regulatory Timetable for the proceeding was set forth in Order No. G-135-06 dated October 31, 2006. No written submissions regarding the Application were received from Intervenors or Interested Parties. On November 15, 2006, TES filed its Final Submission on the Application.

Following consideration of the Application, evidence presented and submissions, the Commission issued its Reasons for Decision granting a CPCN to TES for the Project and approved the Propane Tariff and deferral accounts as requested in the Application.

TERASEN GAS INC.
2007 Revenue Requirements and Delivery Rates
Reasons for Decision appended to Order No. G-160-06 dated December 14, 2006

Commission Order No. G-51-03 approved for Terasen Gas, the Settlement Agreement for a 2004-2007 Multi-Year Performance-Based Rate Plan ("PBR"). The terms of the Settlement Agreement for the 2004-2007 PBR (the "Settlement") for Terasen Gas included an expanded annual review to provide considerable information on its current and future years' activities, along with statistics on its quality of service provided and its compliance with the code of conduct and transfer pricing policy.

On October 16, 2006, Terasen Gas filed Advance Annual Review materials in accordance with the 2004-2007 PBR Settlement approved by Commission Order No. G-51-03 and the regulatory timetable established by Order No. G-121-06. Following the November 15, 2006 Terasen Gas 2006 Annual Review and Mid-Term Assessment Workshop, the Commission reviewed the comments and submissions related thereto and issued Order No. G-160-06 approving the following:

1. Terasen Gas' opinion regarding the applicability of sections 41, 50, 52, 53 and 54 of the UCA to the amalgamation of TGI and TGS. The Commission agrees that Commission approval is not required for the amalgamation of Terasen Gas and Terasen Squamish.

2. The cancellation of TGI Tariff Supplement I-3, effective January 1, 2007.

3. The cancellation of the Terasen Squamish Tariff, effective January 1, 2007.

4. For the amalgamated TGI and TGS the following:

   - A common equity component of 35.01 percent, effective January 1, 2007.
   - A return on common equity of 8.37 percent, effective January 1, 2007.

- The establishment of a rate base deferral account to record costs related to the Amalgamation and variances in operation and maintenance expenses as it impacts the 2007 Revenue Requirements as applied for in the 2006 Annual Review materials.

5. The $0.021/GJ decrease in the Rate Stabilization Adjustment Mechanism rider from the currently approved level of $0.16/GJ to $0.145/GJ, effective January 1, 2007.

6. The Earnings Sharing Mechanism rider for customers served under Rate Schedules 1, 1S, 2, 2U, 3, 3U, 4, 5, 6, 7, 22, 22A, 22B, 23, 25 and 27 effective January 1, 2007, ranging from ($0.108)/GJ for customers served under Rate Schedule 1 to ($0.018)/GJ for those served under Rate Schedule 22B.

7. The establishment of a rate base deferral account to record the $10 million payment and the cost of the Social Service Tax appeal, subject to the $414 million SCP Project maximum capital cost approved by Commission Order No. G-95-00.

8. In accordance with the Reasons for Decision, Terasen Gas is directed to file a 2006 Squamish Main Extension Report with the Commission for all TGS main extensions completed and/or in progress in 2006.

9. The amortization of the Terasen Squamish intangible plant of $777,000 over a 10-year period.

10. The Terasen Gas submission that the inclusion of non-executive bonuses in pension costs recovered from customers and the exclusion of executive bonuses in pension costs recovered from customers is consistent with Commission's 1992, 1994 and 2003 Decisions.

11. Terasen Gas' submission that terms of the Settlement prevent it from increasing the Demand-Side Management ("DSM") incentive grants over the $1.5 million during the period of the Settlement.

12. The Company is instructed to include the Ratepayer Impact Measure test, the Participant Cost test and the percentage of "free riders" for the each program in the 2006 DSM portfolio and in future DSM reports.

TERASEN GAS (VANCOUVER ISLAND) INC.
2006 Settlement Update Meeting for
2007 Rates, 2007 Cost of Service and Revenue Deficiency Deferral Account Balance as at December 31, 2005
Reasons for Decision appended to Order No. G-161-06 dated December 18, 2006

On October 23, 2006, TGVI filed its 2006 Settlement Update filing and an application in accordance with the 2006-2007 Negotiated Settlement Agreement as approved by Commission Order No. G-126-05 ("the Application"). The Application filed pursuant to Sections 60 and 23 of the UCA and Order in Council 1510, dated December 13, 2005, requested approval for 2007 Rates, 2007 Cost of Service, and the Revenue Deficiency Deferral Account balance as at December 31, 2005. The 2006 Settlement Update Meeting was held on November 21, 2006.

Upon review of the Revised Application and the Comments received from Intervenors, the Commission issued its Reasons for Decision approving the Application.

STARGAS UTILITIES LTD.
Approval to Alter Rates
Reasons for Decision appended to G-163-06 dated December 18, 2006

On August 4, 2006, Stargas applied for approval to decrease residential rates by $2.05 per gigajoule ("GJ") and decrease commercial rates by $2.06 per GJ for the combined delivery and commodity cost components in rates, effective November 1, 2006. Stargas also requested approval to retain the difference between commercial and residential gas cost recovery rates. The change in the rates is the result of a $0.49 per GJ increase in the residential and commercial delivery charges, a $2.54 per GJ decrease in the residential commodity charge and $2.55 per GJ decrease in the commercial commodity charge.

The decrease in the commodity charges are due to decreases in the cost of natural gas and amortization of a credit balance in the Gas Cost Variance Account. The increase in the delivery charge is the result of higher management fees and the amortization of 2006 debt replacement transaction costs. Other issues in the Application include the amount of working capital included in rate base, loan guarantee fees, the amount of equity and debt in the Company's capital structure, and preferred share dividends.

Following a written hearing process, the Commission issued Order No. G-163-06 and Reasons for Decision approving the application pursuant to Sections 60 and 61 of the UCA. Stargas' requests for approval of loan guarantee fees and a return on notional equity were denied.

FORTISBC INC.
2006 Annual Review of 2007 Revenue Requirements
Settlement Agreement appended to Order No. G-162-06 dated December 20, 2006

On September 29, 2006, FortisBC filed its Preliminary Revenue Requirements which sought a 2.9 percent (revised in the November 1, 2006 Update to 2.1 percent) general rate increase effective January 1, 2007 and proposed to delay the removal of CWIP subject to AFUDC from rate base as required by the PBR Settlement until such time that the change becomes revenue neutral or appropriate in the context of the relevant revenue requirements application. FortisBC forecasts that removing CWIP subject to AFUDC from rate base in 2007 and the associated reduction to revenue requirements would increase rates by a further 2.1 percent. In the responses to information requests (BCUC IR 3.1 and 3.2), FortisBC was unable to estimate what year the removal of CWIP subject to AFUDC could occur or the threshold percentage rate increase that represented rate shock.

A proposed Settlement Agreement, which included a delay in the removal of CWIP subject to AFUDC from rate base for 2007 only to allow for further study, was agreed to by FortisBC and some Intervenors, with the participation of Commission staff. Letters of support to the proposed Settlement Agreement were received from the British Columbia Old Age Pensioners' Organization et. al ("BCOAPO") and from FortisBC.

The Interior Municipal Electrical Utilities ("IMEU") supported the proposed Settlement Agreement except for the proposed treatment of CWIP and AFUDC. In view of the IMEU submission, FortisBC, BCOAPO and the IMEU advised the Commission that they would support a severing of the treatment of CWIP and AFUDC from the proposed Settlement Agreement for a separate determination by the Commission.

Following a review of the proposed Settlement Agreement and the related comments and submissions the Commission issued Order No. G-162-06 approving the Settlement Agreement except for the proposed delay in the removal of CWIP subject to AFUDC from rate base.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Filing of Long-Term Electricity Purchase Agreement and
Amended and Restated Long-Term Electricity Purchase Agreement
with Alcan Inc. as Energy Supply Contracts
Reasons for Decision appended to Order No. G-176-06 dated December 29, 2006

On November 1, 2006, BC Hydro submitted the LTEPA Amending Agreement and the Amended and Restated LTEPA with Alcan (collectively, the "Contracts"), and requested that the Commission accept them for filing as an Energy Supply Contract, pursuant to Section 71 of the UCA, by December 31, 2006.

After a Procedural Conference on November 8, 2006, by Order No.G-142-06 the Commission established an Oral Public Hearing and a regulatory timetable for the review of the submission. Another Procedural Conference was held on November 29, 2006. The Oral Hearing commenced on December 6, 2006 and concluded on December 11, 2006, and reply argument was presented orally on December 21, 2006. The Commission issued Order No. G-176-06 on December 29, 2006 and Reasons for Decision on February 2, 2007.

The Commission Panel concluded that, from the perspective of need, the Contracts are not required for strict conformance to BC Hydro's planning criteria given other existing, committed and planned resources, although the Commission acknowledged they could displace other planned resources in the medium- to long-term. The Commission concluded that BC Hydro erred in relying solely on the F2006 Call prices as a benchmark and, as a result, failed to establish the cost-effectiveness of the Contracts. The Commission further concluded that BC Hydro failed to demonstrate that the benefits from the Contracts would fully, or in substantial part, offset the additional costs that it would have been obliged to pay in 2010 through 2014 with respect to reinstating the electricity volumes available to it under the earlier Long-Term Electricity Purchase Agreement.

The Commission refused to accept the Contracts for filing as Energy Supply Contracts, found that the Contracts were not in the public interest and declared that the Contracts are wholly unenforceable.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
Aberfeldie Redevelopment Project Certificate of Public Convenience and Necessity
Certificate of Public Convenience and Necessity No. C-2-07 dated February 9, 2007

As part of BC Hydro's F2007 and F2008 Revenue Requirements Application ("F07/F08 RRA") Negotiated Settlement Agreement issued November 6, 2006, there was no agreement among the Parties that expenditures referred to in the F07/F08 RRA in regard to the Aberfeldie Redevelopment Project were, or were not, in the interests of persons within British Columbia who receive, or who may receive, service from BC Hydro.

By Order No. G-149-06 dated November 29, 2006, the Commission established a written public hearing for the review of BC Hydro's proposed expenditures in regard to the Aberfeldie Redevelopment Project. By letter dated December 6, 2006, BC Hydro applied for a CPCN in respect of the Aberfeldie Redevelopment Project. Submissions were received from the BC Old Age Pensioners Organization *et al.*, the Independent Power Producers Association of British Columbia, the Joint Industry Electricity Steering Committee, and the Sierra Club of Canada (BC Chapter) *et al.* On January 26, 2007, BC Hydro filed its Final Argument.

The Commission considered the Application and the evidence and submissions presented and issued CPCN Order No. C-2-07 dated February 9, 2007 to BC Hydro for the Aberfeldie Redevelopment Project.

MARAUDER RESOURCES WEST COAST INC.
Common Carrier/Common Processor Orders
Canadian Natural Resources Ltd. and Pioneer Natural Resources Canada Inc.
Velma Field, Bluesky (2600) Pool
Decision and Order No. G-15-07 dated February 14, 2007

By an Application dated June 16, 2006, Marauder applied pursuant to Section 65 of the UCA for an Order declaring Canadian Natural Resources Limited to be a common carrier and common processor of natural gas produced from the Velma Bluesky (2600) Pool (the "Pool") (the "Marauder CNRL Application").

By an Application dated June 16, 2006, Marauder also applied pursuant to Section 65 of the UCA for an Order declaring Pioneer Natural Resources Canada Inc. to be a common carrier and common processor of natural gas produced from the Velma Bluesky (2600) Pool (the "Marauder Pioneer Application").

In each of the Marauder CNRL Application and the Marauder Pioneer Application (collectively, the "Applications"), Marauder requests that an order made by the Commission in response to the Applications be effective as of the date of the Applications and that, in the event it is necessary to share production from the Pool, the Commission direct the proportion of production to be taken by the common carrier from each producer or owner.

The Applications were reviewed through an oral public hearing process held in Vancouver on November 6 and 7, 2006.

Following the public review process, the Commission issued its Decision dismissing both Applications.

FORTISBC INC.
2006 Annual Review of 2007 Revenue Requirements
Construction Work in Progress Deferral Account
Reasons for Decision appended to G-20-07 and dated March 9, 2007

Commission Order No. G-58-06 approved for FortisBC a Performance Based Regulation Settlement for the years 2007 to 2009 (the "PBR Settlement"). The PBR Settlement requires FortisBC to hold an Annual Review, Workshop and Negotiated Settlement Process each November with a goal of achieving firm rates by December 1st for the following year.

One of the items in the PBR Settlement required that for 2006, FortisBC was to continue to record Construction Work in Progress ("CWIP") subject to Allowance for Funds Used During Construction ("AFUDC") in rate base with a reduction to revenue requirements by the amount of the AFUDC. Beginning in 2007, FortisBC was to include only CWIP not subject to AFUDC in rate base and calculate interest expense and cost of equity only on Plant in Service and other costs approved for rate base treatment.

By Order No. G-162-06, the Commission approved the Settlement Agreement, except for the proposed delay in the removal of CWIP subject to AFUDC from rate base. Order No. G-162-06 also determined that the proposed delay in the removal of CWIP subject to AFUDC from rate base would be examined separately and the Commission established a timetable for written submissions on this issue.

Upon review of the submissions received on the proposed delay in the removal of CWIP subject to AFUDC from rate base, the Commission is not persuaded that a further delay is appropriate for the removal of CWIP subject to AFUDC from rate base as required under the PBR Settlement and that FortisBC's proposal should be denied.

FortisBC is to increase its customer rates by 2.1 percent effective with its next monthly billing to recover over the remainder of 2007 the additional revenue requirement of $4.135 million that results from the removal of CWIP subject to AFUDC from rate base, as identified in FortisBC's January 5, 2007 submission.

Any unrecovered balance of the additional revenue requirement of $4.135 million that results from the removal of CWIP subject to AFUDC from rate base is to be recorded by FortisBC in a non-rate base deferral account bearing interest at its short term interest rate to be recovered in customer rates over 2008.

BRITISH COLUMBIA HYDRO AND POWER AUTHORITY
2006 Integrated Electricity Plan and 2006 Long-Term Acquisition Plan
Decision and Order No. G-29-07 dated March 15, 2007

On March 29, 2006, BC Hydro filed, pursuant to Section 45 (6.1) of the UCA, the 2006 IEP and the LTAP with the Commission for review. BC Hydro filed an amended LTAP on August 31, 2006, which included new information affecting the LTAP load-resource balance and the Orders sought.

BC Hydro seeks an Order which: (i) states that the 2006 LTAP meets the requirements of Section 45 (6.1) of the UCA; (ii) makes specific determinations under subsection 45 (6.2)(b) of the UCA with respect to certain planned expenditures; and (iii) approves the transmission LTAP plan and contingency plans for inclusion in the Utility's Network Integrated Transmission Service application.

Opening Oral Submissions took place on November 14, 2006 and the Public Hearing commenced on November 22, 2006 in Vancouver.

Following a review of the Application and evidence presented at the public hearing, the following expenditures were determined to be in the interests of persons within British Columbia who receive, or who may receive, service from BC Hydro:

(i) $1,700,000 required to undertake and complete the Definition phase work of Energy Efficiency (EE) 3, 4 and 5, including completion of an updated Conservation Potential Review (CPR);

(ii) $800,000 for the electricity savings associated with the Greater Vancouver Water District micro-hydro Load Displacement (LD) 2 project;

(iii) $2,875,000 to undertake and complete the Identification, Definition and Implementation phase work for the 2007 Call;

(iv) $520,000 required to undertake and complete the Identification phase work for the 2009 Call;

(v) A total of $12,500,000 required to complete the Definition phase of Revelstoke Unit 5 in the years F2007 and F2008; and

(vi) A total of $3,000,000, $1,000,000 in F2007 and $2,000,000 in F2008, required to complete the Identification and Definition phase work for the next Revelstoke or Mica unit.

TERASEN GAS INC.
Two-Year Extension of the 2004-2007 Multi-Year Performance Based Rate Plan for 2008-2009
Negotiated Settlement appended to Order No. G-33-07 dated March 23, 2007

On January 19, 2007, Terasen Gas filed its application for the approval of a Two-Year Extension of the Settlement Agreement for a 2004-2007 Multi-Year Performance-Based Rate Plan Settlement for 2008-2009. The Commission, by Order No. G-8-07, established a written regulatory process for review of the Application.

Upon reviewing the Application, Comments, and Reply Comments received from Terasen Gas and concerned stakeholder groups, the Commission approved for Terasen Gas the two-year extension of the Settlement Agreement for the 2004-2007 Multi-Year Performance-Based Rate Plan for 2008 and 2009 as outlined in Appendix A of the Application.

TERASEN GAS (VANCOUVER ISLAND) INC.
Two-Year Extension of the 2006-2007 Negotiated Settlement Agreement for 2008-2009
Negotiated Settlement appended to Order No. G-34-07 dated March 23, 2007

On January 22, 2007, TGVI filed its Application for Approval of Extension of the 2006-2007 Negotiated Settlement Agreement Terms for 2008-2009. The Commission, by Order No. G-9-07, established a written regulatory process for review of the Application.

Upon reviewing the Application, Comments, and Reply Comments received from TGVI and concerned stakeholder groups, the Commission approved for TGVI the two year extension of the 2006-2007 Revenue Requirement Negotiated Settlement Agreement terms for 2008 and 2009 as outlined in Appendix A of the Application.

Exemptions

There are two types of exemptions from the provisions of the Utilities Commission Act: Section 22 Ministerial exemptions and Section 88 Commission exemptions.

Section 22 – Ministerial Exemptions

Ministerial Order M-22-0205 (M202, dated June 6, 2002) exempts persons who are not otherwise a public utility, and their equipment facilities, plants, projects or systems, from the provisions of Part 3 of the Utilities Commission Act (except Section 22) with respect to the production and sale of electricity to BC Hydro or Powerex.

Following this date Independent Power Producers ("IPPs") were not required to seek Commission exemptions from public utility status so long as the power produced from the project was sold to BC Hydro or Powerex.

Section 22 also enables the Minister to refer an exemption application to the Commission for review, or delegate the decision to the Commission.

Section 88 - Commission Exemptions

Commission exemptions may exempt a utility from any provision of the Act except for Part 2 and matters subject to Sections 22 and 71. Cabinet pre-approval is required. This section is often used to exempt upstream natural gas plants, pipelines, and related facilities from public utility status.

The Commission has developed a specific practice to issue Section 88 exemptions. First, the utility applies to the Commission for an exemption from regulation with respect to a particular activity, project, or agreement. If the Commission agrees with the application in principle and decides that an exemption will not jeopardize the public interest, it requests approval from Cabinet. By Order of the Lieutenant Governor in Council, Cabinet formally approves the exemption. Finally, the Commission issues its own order granting an exemption under Section 88(3).

The following Commission exemptions from regulation were granted under Section 88(3) of the Act in 2006/07.

- **Canadian Natural Resources Limited**
  Order No. G-38-06 dated April 11, 2006

Approved for Canadian Natural Resources Limited an exemption from Part 3 of the Act, other than Sections 24 and 25, of the West Stoddart facilities that CNRL uses to transport or process natural gas for others.

- **Talisman Energy Canada**
  Order No. G-144-06 dated November 17, 2006

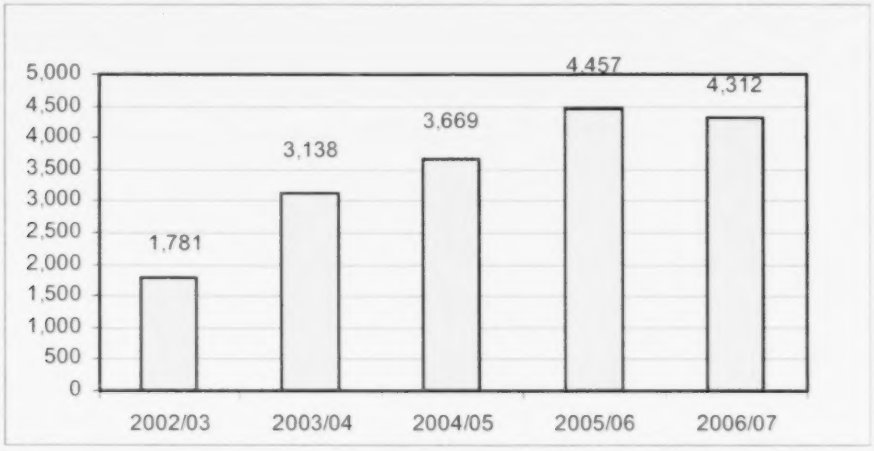
Approved an exemption for Talisman from Section 71 and Part 3 of the Act (except Section 22 of the Act) for the sales of electrical power from the Bullmoose Electrical Substation to Bullmoose Operating Corporation and Imperial Oil Limited, and an exemption for Bullmoose Operating Corporation and Imperial Oil Limited from Section 71 with respect to such sales.

- **Pesh Facilities Holding Partnership**
  Order No. G-21-07 dated March 1, 2007

Approved for Pesh Facilities Holding Partnership an exemption from Part 3 of the Act, other than Sections 24 and 25, of the facilities listed in Appendix I which Pesh Facilities Holding Partnership uses to transport or process natural gas for others.

Performance Indicators

Over the last five fiscal years the Commission has seen a significant increase in the amount of correspondence received and processed by Commission staff. Correspondence received by the Commission consists of customer complaints, utility applications, hearing documents, requests for information/assistance (not related to a proceeding), and utility reports. Not included in the following graph are customer complaints received by telephone and e-mail or telephone requests received by the Information Services Group requesting Commission documents. These requests are processed immediately upon receipt and are not entered into the document tracking system.



Proceeding Days Summary (Fiscal 2006/07)

Applicant	Application	Procedural/ Pre-hearing Conference	Workshop	NSP/ ADR	Oral Public Hearings	Total Days
BCTC Sea Breeze	Vancouver Island Transmission Reinforcement Project / Vancouver Island Cable Project	3			35	38
ICBC	2006 Revenue Requirements	1			6	6
FortisBC	Nk'Mip (East Osoyoos) Transmission & Substation Project	1			2	3
FortisBC	2006 Revenue Requirements	1	1	4		6
TGW TGVI	Reconsideration of 2005 Resource Plan and CPCN for Conversion of Whistler Propane System to Natural Gas and CPCN for Pipeline Lateral from Squamish to Whistler	1			Written Hearing	1
BCTC	Network Economy and Open Access Transmission Tariff	2	2	3		7
BCTC	Transmission System Capital Plan F2006 to F2015 Update				Written Hearing	
BC Hydro	F2007 & F2008 Revenue Requirements and 2006 Integrated Electricity Plan and Long Term Acquisition Plan	3	1	1	20	25
Terasen Gas	Residential Unbundling Program CPCN	1	1		1	3
Terasen Gas	CPCN Replacement and Upgrading of the Vancouver Low-Pressure Gas Distribution System				Written Hearing	
BCTC	F2007 Revenue Requirements	2		4		6
BCTC	Transmission Service Rates Customer Baseline Load				Written Hearing	

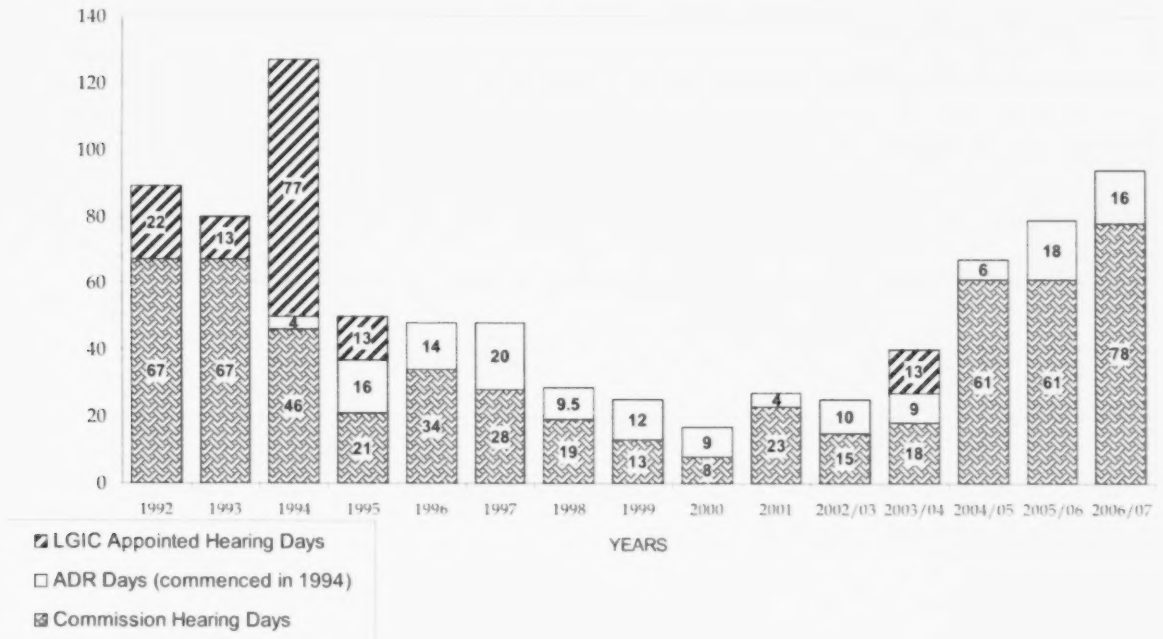
Applicant	Application	Procedural/ Pre-hearing Conference	Workshop	NSP/ ADR	Oral Public Hearings	Total Days
FortisBC	Big White Supply Project CPCN				2	2
Marauder Resources	Common Carrier/Common Purchaser Applications to Canadian Natural Resources Ltd. and Pioneer Natural Resources Canada Inc. – Velma Field, Bluesky Pool	2	1		2	5
FortisBC	2007-2008 Capital Expenditure Plan and Review of 2007 System Development Plan Update		1		Written Hearing	1
Stargas	2006 Rate Application				Written Hearing	
BC Hydro	2006 Customer Baseline Load Application – Customer Complaints				Written Hearing	
BC Hydro	Conservation Research Initiative – Residential Time of Use Rates		1	1		2
FortisBC Fortis Pacific PLP	Transfer PLP Shares and Assets to FortisBC and Wind-up of PLP				Written Hearing	
FortisBC	Automated Mapping/Facilities Management/Geographical Information System Transition Project				Written Hearing	
FortisBC	2006 Annual Review and 2007 Revenue Requirements		1	1		2
Terasen Energy Services Inc.	Propane Gas Distribution System for Gateway Lakeview Estates CPCN				Written Hearing	
Terasen Gas	2006 Annual Review and Mid-Term Assessment Review			1		1

Applicant	Application	Procedural/ Pre-hearing Conference	Workshop	NSP/ ADR	Oral Public Hearings	Total Days
TGVI	2006 Settlement Update Meeting			1		1
Sun Peaks	2006/07 Revenue Requirements				Written Hearing	
FortisBC	Ellison Substation Project CPCN	.5	.5		1	2
BC Hydro	Energy Supply Contracts with Alcan Inc.	1			6	7
BC Hydro	Aberfeldie Redevelopment Project CPCN				Written Hearing	
Unocal Canada Limited	Exemption from the UCA for the Aitken Creek Storage Facility				Written Hearing	
PNG-West	2007 Revenue Requirements and Rates				Written Hearing	
PNG(N.E.)	2007 Revenue Requirements and Rates				Written Hearing	
FortisBC	Black Mountain Substation Project CPCN	1			2	3
BCTC	Transmission System Capital Plan F2008 to F2017				Written Hearing	
Terasen Gas	Extension of 2004-2007 Settlement Agreement and Performance Based Rates for 2008-2009				Written Hearing	
TGVI	Extension of 2006-2007 Settlement Agreement for 2008-2009				Written Hearing	
FortisBC	Acquisition of the Issued and Outstanding Shares of Terasen Inc.	1			Written Hearing	1
TOTAL DAYS		**19.5**	**9.5**	**16**	**78**	**123**

Hearing and Alternative Dispute Resolution Days (Fiscal 2006/07)

The Negotiated Settlement Process is part of the Commission's efforts to improve the quality and efficiency of regulation. Use of the Negotiated Settlement Process, which is also referred to as Alternative Dispute Resolution, requires considerable work before, during and after the negotiations. Revised "Negotiated Settlement Process: Policy, Procedures and Guidelines" were issued on January 23, 2001 (Letter No. L-3-01).

Alternative Dispute Resolution, the use of formulas for setting ROEs, and multi-year performance based settlements all contributed to the declining trend in the number of hearing days (see chart) until 2003/04. New Commission responsibilities for the regulation of ICBC's mandatory basic insurance, regulation of BCTC, and the re-regulation of BC Hydro rates contributed to the increased number of hearing days in 2004/05 and since. Matters referred to the Commission by the Lieutenant Governor in Council, such as the Kemano Completion Project and the Heritage Contract Inquiry, can have a dramatic affect on the number of hearing days; for example, in 1994 the Kemano Completion Project was reviewed over 77 hearing days and in 2003 the Heritage Inquiry was reviewed over 13 days.



Customer Complaints and Inquiries (Fiscal 2006/07)

Inquiries from Utility Customers concerning Terms and Conditions of Utility Service, Quality of Service, Rate Increases, Billing and Payment Requirements, Disconnections, etc.

An important aspect of the Commission's mandate is to apply regulation in a manner that reflects fair, consistent and clearly enunciated standards. Commission staff is available to assist the public in dealing with regulated utilities so that problems and inquiries are handled in a prompt, helpful and efficient manner.

Most complaints and inquiries are resolved through discussions between the customer and the utility concerned. Unresolved issues are referred to the Commission. To facilitate communication between the Commission and the customers of regulated utilities wishing to file complaints or have points clarified, toll-free calling from anywhere in the Province is available. The number of complaints and inquiries in 2006/07 decreased to 544 from the 612 reported in 2005/06 and 376 in 2004/05.

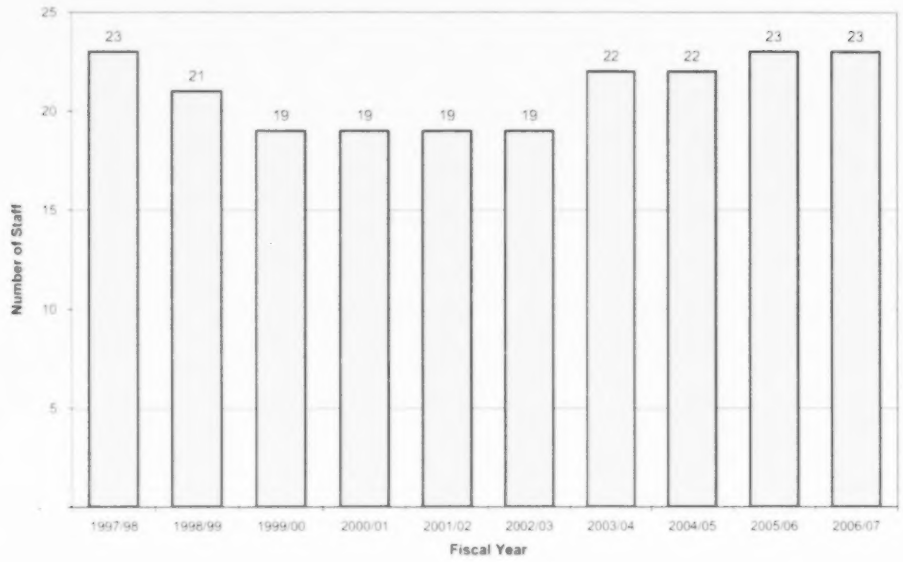
During 2006/07, one request for information was made under the Freedom of Information and Protection of Privacy Act.

Summary of 2006/07 Customer Complaints and Inquiries

	Category Breakdown	Total
Big White Propane Utility		0
British Columbia Hydro and Power Authority		183
~ General Complaints	42	
~ Quality of Service	20	
~ Billing	97	
~ Disconnected/Security Deposit Requirement	24	
British Columbia Transmission Corporation		3
Cal-Gas Inc.		2
Central Heat Distribution Limited		0
Corix Multi Utility Services Ltd. (formerly Terasen Multi-Utility Services Inc.)		1
FortisBC Inc.		45
Hemlock Valley Electrical Services Ltd.		1
Insurance Corporation of British Columbia		8
Nelson Hydro		2
Pacific Northern Gas Ltd.		11
Pacific Northern Gas (N.E.) Ltd.		2
Port Alice Gas Inc.		0
Princeton Light and Power Company, Limited		1
Silversmith Power and Light		2
Stargas Utilities Ltd.		0
Sun Peaks Utilities Co. Ltd.		1
Terasen Gas Inc.		276
~ General Complaints	51	
~ Billing	158	
~ Disconnected/Security Deposit Requirement	67	
Terasen Gas (Vancouver Island) Inc.		6
Terasen Gas (Squamish) Inc.		0
Total 2006/07 Complaints/Inquiries		544

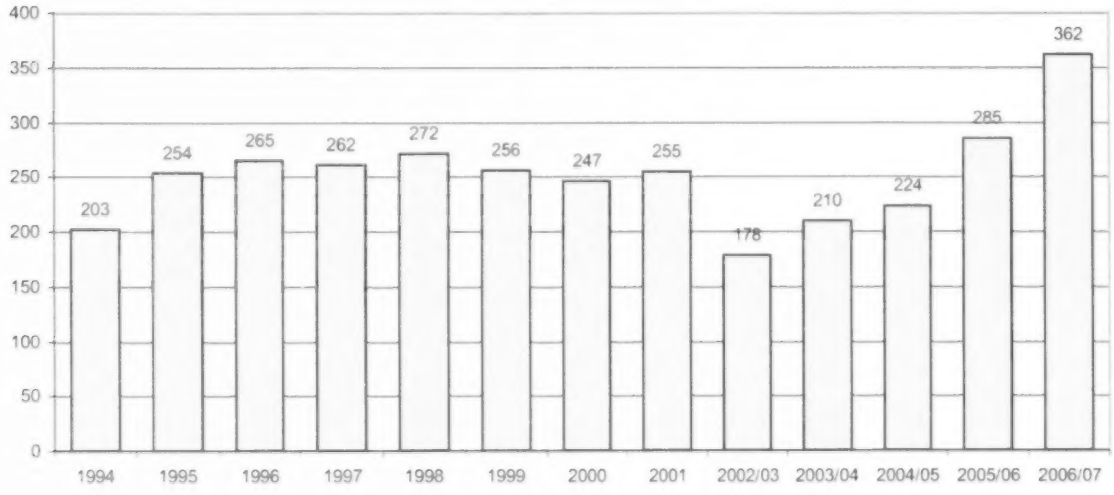
Staffing Levels

Staffing levels remained the same over 2005/06 and 2006/07.



Directives Issued

The number of Orders and Letters of Direction issued in 2006/07 was 362 up from the 285 recorded for 2005/06 and the 224 for 2004/05.

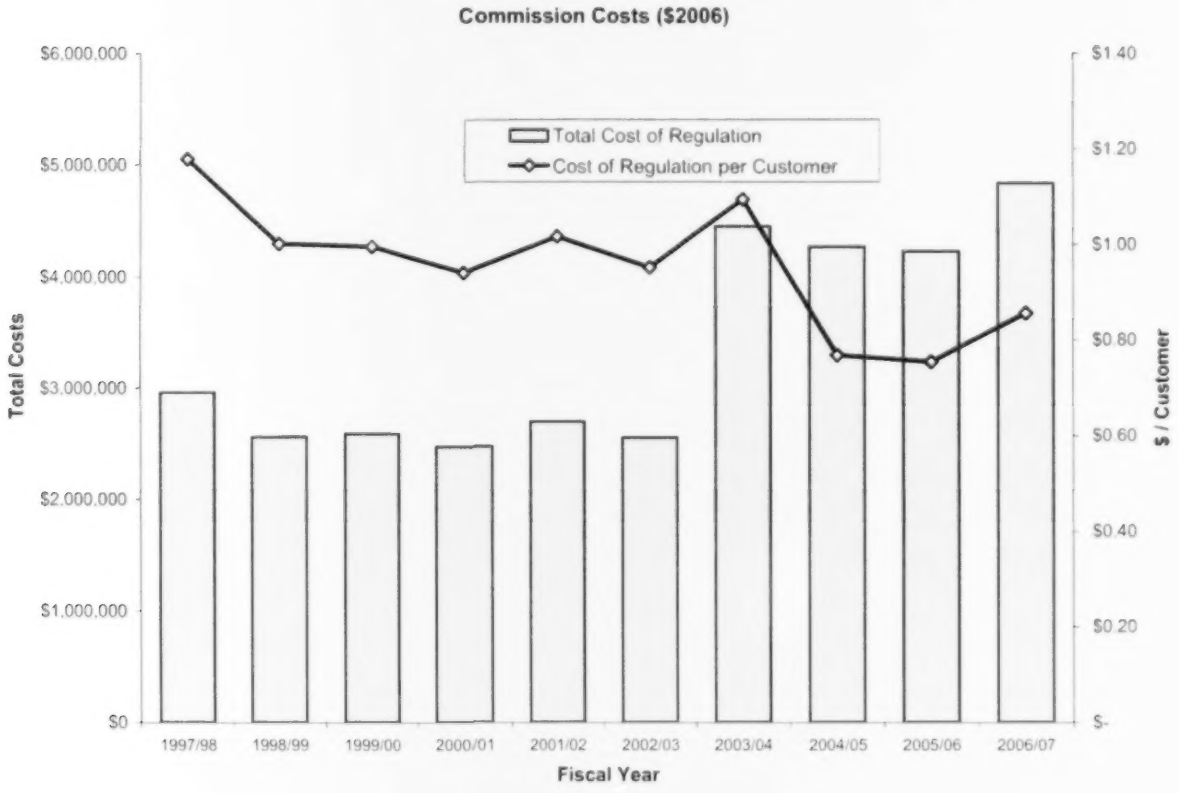


*Note: In 2002 the Commission moved from calendar year reporting to fiscal reporting.

Commission Expenditures and Cost of Regulation per Customer

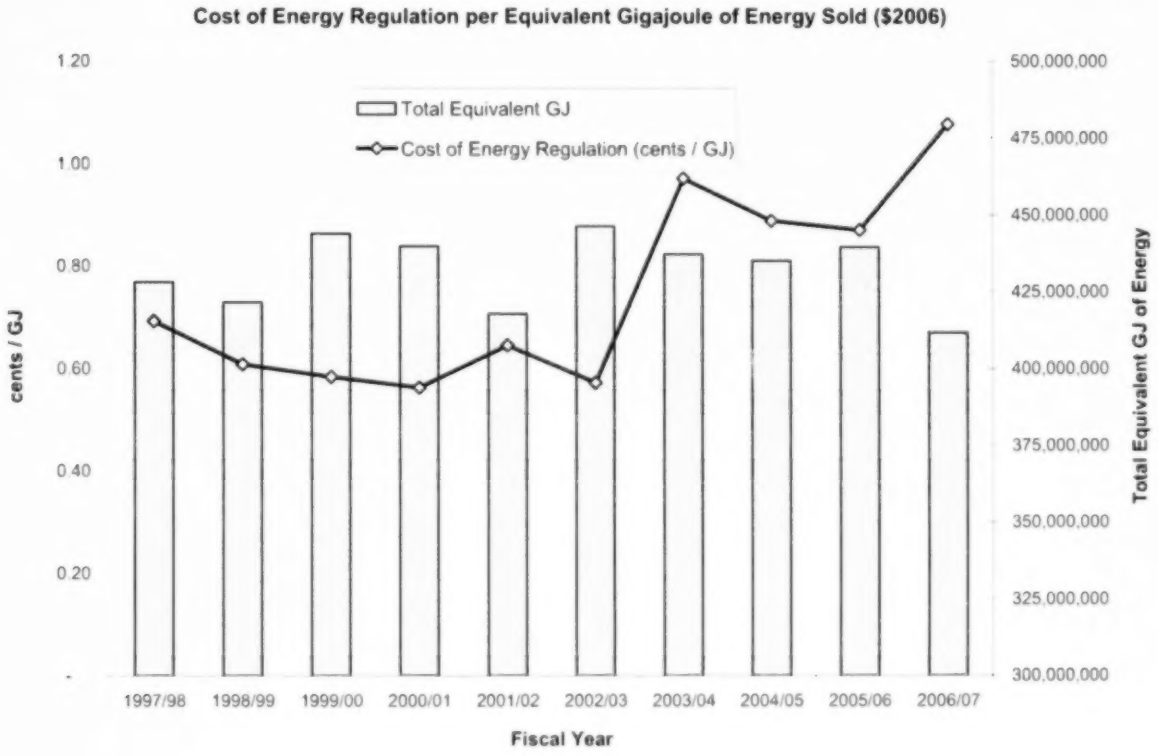
The Commission's actual expenditures for fiscal year 2006/07 (unaudited) were $4,968,007 million. The increase of 3 percent over fiscal year 2005/06 in expenditures results from an increase in regulatory activity including an increase in the number of hearing days.

The cost of regulation per customer is calculated by dividing Commission expenditures by the total number of customers of regulated utilities. For the five years prior to 2003/04, it has been under one dollar per customer; about half of what it was in the early 1990's. The rise in the cost of regulation in 2003/04 primarily reflects the return of BC Hydro to Commission regulation, the regulation of ICBC and an increase in the number of hearing days.



Cost of Energy Regulation per Equivalent Gigajoule of Energy Sold (cents)

The cost of regulation per gigajoule (equivalent) of energy sold is calculated by dividing Commission energy regulation expenditures by the amount of energy sold or transported by utilities in that year.

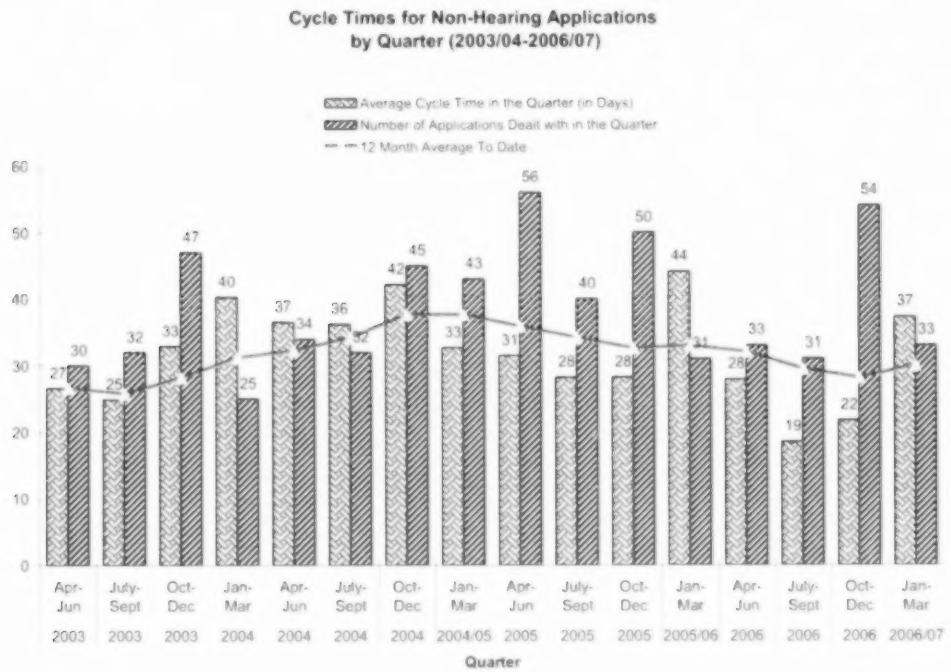


The equivalent energy sold includes both natural gas by gas utilities and the electricity sold (converted to gigajoules) by electrical utilities. From 1996 to 2003 the rates of BC Hydro were effectively frozen and therefore required less regulation than currently, now that the rate freeze has expired. The year over year decrease in "Total Equivalent GJ" reflects a dramatic decrease in gas deliveries of Pacific Northern Gas Ltd.

Cycle Times

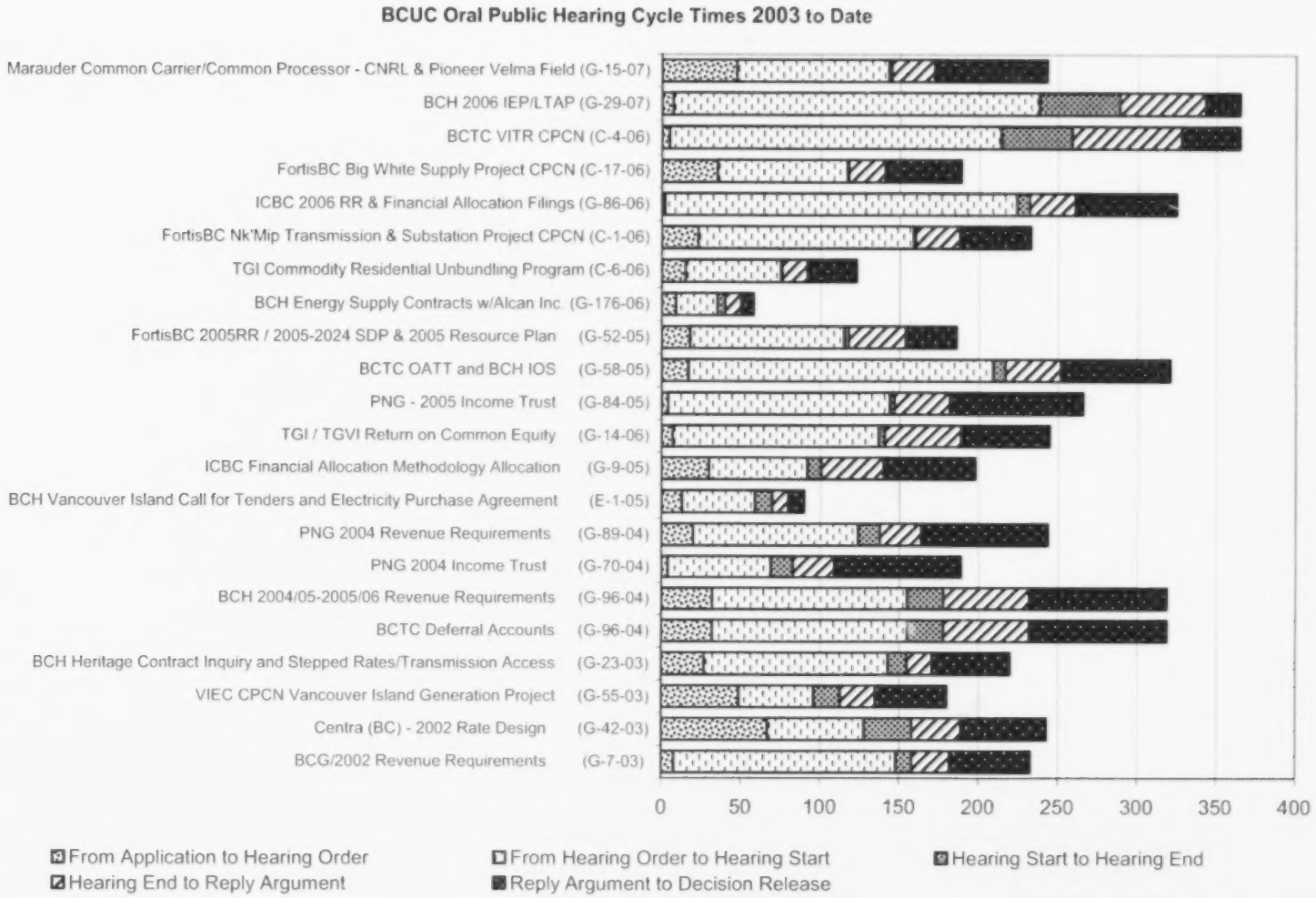
The following four graphs portray "cycle" or "turnaround" times - the time elapsed between the receipt of an Application and a Commission decision - categorized according to the four main ways the Commission processes the Application.

"Non-Hearing" Applications are usually straightforward and not controversial. They are managed by staff review and analysis, often with supplementary information requests and responses from the utility, but without a formal public review. Average cycle times, by quarter, ranged from 28 to 37 calendar days in 2006/07.



Note: In 2002/03 the Commission moved from Calendar year reporting to fiscal year reporting.

More complex applications require a public review process, usually through an oral public hearing, a written public hearing, or a negotiated settlement process. The following three graphs portray the cycle times for applications since 2001 managed by these three processes. Oral public hearings are quasi-judicial and adversarial; most take seven to eights months between receipt of the Application and the issuance of the Commission Decision. The BCUC's written hearing process cycle times average about six months, and Applications managed by a negotiated settlement process take about four months on average between receipt and disposition.


BCUC Oral Public Hearing Cycle Times 2003 to Date
Marauder Common Carrier/Common Processor - CNRL & Pioneer Velma Field (G-15-07)
BCH 2006 IEP/LTAP (G-29-07)
BCTC VITR CPCN (C-4-06)
FortisBC Big White Supply Project CPCN (C-17-06)
ICBC 2006 RR & Financial Allocation Filings (G-86-06)
FortisBC Nk'Mip Transmission & Substation Project CPCN (C-1-06)
TGI Commodity Residential Unbundling Program (C-6-06)
BCH Energy Supply Contracts w/Alcan Inc. (G-176-06)
FortisBC 2005RR / 2005-2024 SDP & 2005 Resource Plan (G-52-05)
BCTC OATT and BCH IOS (G-58-05)
PNG - 2005 Income Trust (G-84-05)
TGI / TGVI Return on Common Equity (G-14-06)
ICBC Financial Allocation Methodology Allocation (G-9-05)
BCH Vancouver Island Call for Tenders and Electricity Purchase Agreement (E-1-05)
PNG 2004 Revenue Requirements (G-89-04)
PNG 2004 Income Trust (G-70-04)
BCH 2004/05-2005/06 Revenue Requirements (G-96-04)
BCTC Deferral Accounts (G-96-04)
BCH Heritage Contract Inquiry and Stepped Rates/Transmission Access (G-23-03)
VIEC CPCN Vancouver Island Generation Project (G-55-03)
Centra (BC) - 2002 Rate Design (G-42-03)
BCG/2002 Revenue Requirements (G-7-03)
0
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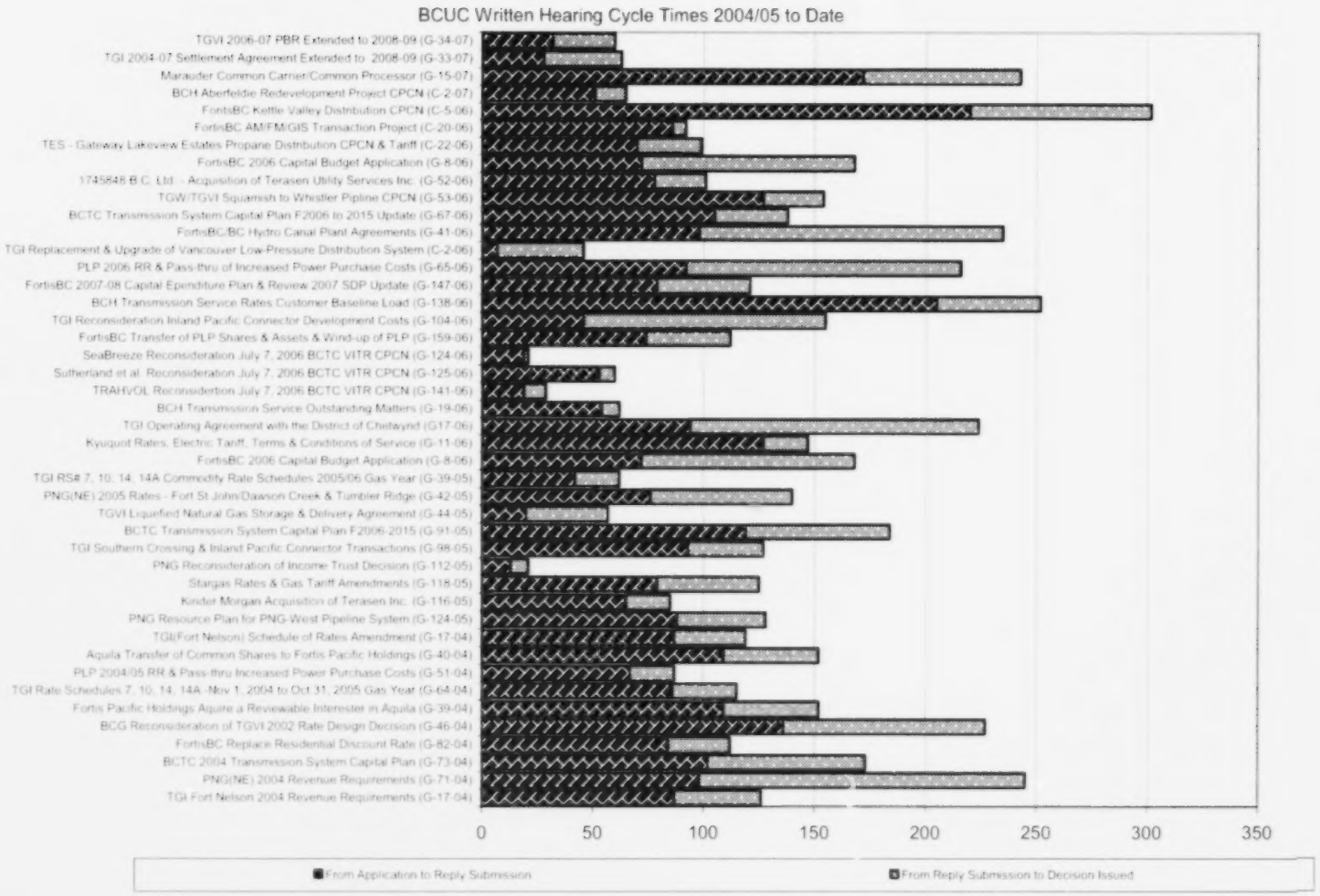
From Application to Hearing Order
From Hearing Order to Hearing Start
Hearing Start to Hearing End
Hearing End to Reply Argument
Reply Argument to Decision Release


BCUC Written Hearing Cycle Times 2004/05 to Date
TGVI 2006-07 PBR Extended to 2008-09 (G-34-07)
TGI 2004-07 Settlement Agreement Extended to 2008-09 (G-33-07)
Marauder Common Carrier/Common Processor (G-15-07)
BCH Aberfeldie Redevelopment Project CPCN (C-2-07)
FortisBC Kettle Valley Distribution CPCN (C-5-06)
FortisBC AM/FM/GIS Transaction Project (C-20-06)
TES - Gateway Lakeview Estates Propane Distribution CPCN & Tariff (C-22-06)
FortisBC 2006 Capital Budget Application (G-8-06)
1745848 B.C. Ltd. - Acquisition of Terasen Utility Services Inc. (G-52-06)
TGW/TGVI Squamish to Whistler Pipline CPCN (G-53-06)
BCTC Transmission System Capital Plan F2006 to 2015 Update (G-67-06)
FortisBC/BC Hydro Canal Plant Agreements (G-41-06)
TGI Replacement & Upgrade of Vancouver Low-Pressure Distribution System (C-2-06)
PLP 2006 RR & Pass-thru of Increased Power Purchase Costs (G-65-06)
FortisBC 2007-08 Capital Expenditure Plan & Review 2007 SDP Update (G-147-06)
BCH Transmission Service Rates Customer Baseline Load (G-138-06)
TGI Reconsideration Inland Pacific Connector Development Costs (G-104-06)
FortisBC Transfer of PLP Shares & Assets & Wind-up of PLP (G-159-06)
SeaBreeze Reconsideration July 7, 2006 BCTC VITR CPCN (G-124-06)
Sutherland et al. Reconsideration July 7, 2006 BCTC VITR CPCN (G-125-06)
TRAHVOL Reconsideration July 7, 2006 BCTC VITR CPCN (G-141-06)
BCH Transmission Service Outstanding Matters (G-19-06)
TGI Operating Agreement with the District of Chetwynd (G17-06)
Kyuquot Rates, Electric Tariff, Terms & Conditions of Service (G-11-06)
FortisBC 2006 Capital Budget Application (G-8-06)
TGI RS# 7, 10, 14, 14A Commodity Rate Schedules 2005/06 Gas Year (G-39-05)
PNG(NE) 2005 Rates - Fort St John/Dawson Creek & Tumbler Ridge (G-42-05)
TGVI Liquefied Natural Gas Storage & Delivery Agreement (G-44-05)
BCTC Transmission System Capital Plan F2006-2015 (G-91-05)
TGI Southern Crossing & Inland Pacific Connector Transactions (G-98-05)
PNG Reconsideration of Income Trust Decision (G-112-05)
Stargas Rates & Gas Tariff Amendments (G-118-05)
Kinder Morgan Acquisition of Terasen Inc. (G-116-05)
PNG Resource Plan for PNG-West Pipeline System (G-124-05)
TGI(Fort Nelson) Schedule of Rates Amendment (G-17-04)
Aquila Transfer of Common Shares to Fortis Pacific Holdings (G-40-04)
PLP 2004/05 RR & Pass-thru Increased Power Purchase Costs (G-51-04)
TGI Rate Schedules 7, 10, 14, 14A -Nov 1, 2004 to Oct 31, 2005 Gas Year (G-64-04)
Fortis Pacific Holdings Aquire a Reviewable Interester in Aquila (G-39-04)
BCG Reconsideration of TGVI 2002 Rate Design Decision (G-46-04)
FortisBC Replace Residential Discount Rate (G-82-04)
BCTC 2004 Transmission System Capital Plan (G-73-04)
PNG(NE) 2004 Revenue Requirements (G-71-04)
TGI Fort Nelson 2004 Revenue Requirements (G-17-04)
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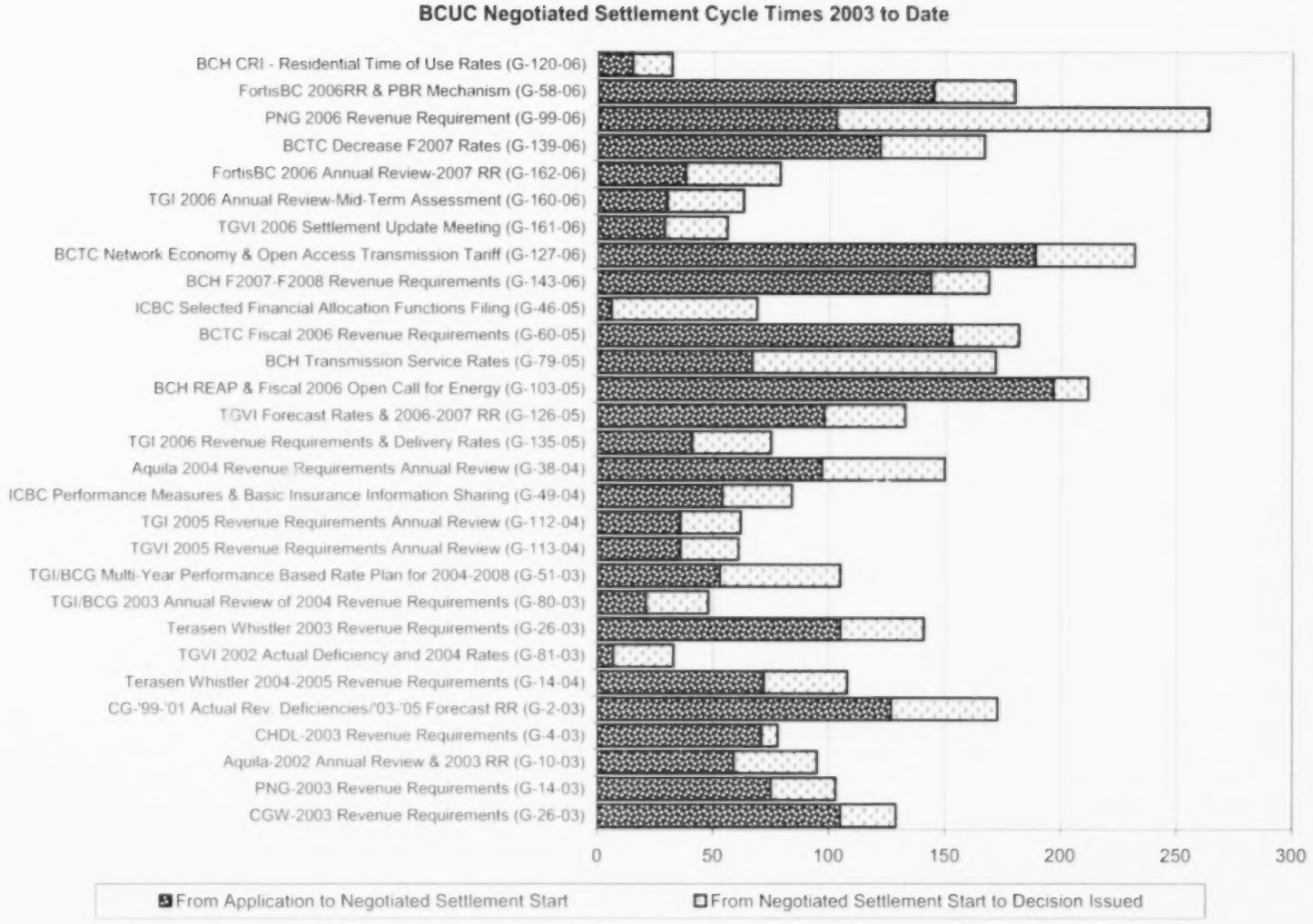
From Application to Reply Submission
From Reply Submission to Decision Issued


BCUC Negotiated Settlement Cycle Times 2003 to Date
BCH CRI - Residential Time of Use Rates (G-120-06)
FortisBC 2006RR & PBR Mechanism (G-58-06)
PNG 2006 Revenue Requirement (G-99-06)
BCTC Decrease F2007 Rates (G-139-06)
FortisBC 2006 Annual Review-2007 RR (G-162-06)
TGI 2006 Annual Review-Mid-Term Assessment (G-160-06)
TGVI 2006 Settlement Update Meeting (G-161-06)
BCTC Network Economy & Open Access Transmission Tariff (G-127-06)
BCH F2007-F2008 Revenue Requirements (G-143-06)
ICBC Selected Financial Allocation Functions Filing (G-46-05)
BCTC Fiscal 2006 Revenue Requirements (G-60-05)
BCH Transmission Service Rates (G-79-05)
BCH REAP & Fiscal 2006 Open Call for Energy (G-103-05)
TGVI Forecast Rates & 2006-2007 RR (G-126-05)
TGI 2006 Revenue Requirements & Delivery Rates (G-135-05)
Aquila 2004 Revenue Requirements Annual Review (G-38-04)
ICBC Performance Measures & Basic Insurance Information Sharing (G-49-04)
TGI 2005 Revenue Requirements Annual Review (G-112-04)
TGVI 2005 Revenue Requirements Annual Review (G-113-04)
TGI/BCG Multi-Year Performance Based Rate Plan for 2004-2008 (G-51-03)
TGI/BCG 2003 Annual Review of 2004 Revenue Requirements (G-80-03)
Terasen Whistler 2003 Revenue Requirements (G-26-03)
TGVI 2002 Actual Deficiency and 2004 Rates (G-81-03)
Terasen Whistler 2004-2005 Revenue Requirements (G-14-04)
CG-'99-'01 Actual Rev. Deficiencies/'03-'05 Forecast RR (G-2-03)
CHDL-2003 Revenue Requirements (G-4-03)
Aquila-2002 Annual Review & 2003 RR (G-10-03)
PNG-2003 Revenue Requirements (G-14-03)
CGW-2003 Revenue Requirements (G-26-03)
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From Application to Negotiated Settlement Start
From Negotiated Settlement Start to Decision Issued

General Orders

G-37-06 BC HYDRO

Established a Procedural Conference regarding the review of the F2007 and F2008 Revenue Requirements Application and for the review of the 2006 Integrated Electricity Plan and the approval of the 2006 Long-Term Acquisition Plan.

G-38-06 CANADIAN NATURAL RESOURCES LIMITED

Approved, pursuant to Section 88(3), an exemption for the West Stoddart facilities that CNRL uses to transport or process natural gas for others, effective April 7, 2006.

G-40-06 PNGW

Established an additional round of Intervenor Information Requests for the 2006 Rates Application to review and consider Item 1, "Methanex Termination Payment" of the proposed Settlement Agreement.

G-41-06 FORTISBC/BC HYDRO/BCTC

Exempted FortisBC and BC Hydro (including their successors and assigns) from all provisions of the UCA in respect of the 2005 Canal Plant Agreement and the Adjustment Agreement.

Exempted FortisBC (including its successors and assigns) from all provisions of the Act in respect of the Canal Plant Agreement Subagreement.

Accepted for filing the Canal Plan Support Agreement.

G-42-06 PLP

Approved the establishment of a rate base deferral account to recover PLP's extraordinary legal fees and disbursements of $59,062 and the compensatory damage award of approximately $20,000, effective November 18, 2005.

Denied the recovery of the punitive damages award of $62,000 from customers.

G-43-06 TERASEN GAS/TGVI

Approved the issuance of 285 common shares to Terasen Gas Inc. for a total of $14.5 million.

Confirmed that the implementation of the approved capital structure changes meets the conditions as set out in sections 5.1.3 and 5.2 of the March 2, 2006 return on equity Decision and meets the ring-fencing conditions set out in Section 7.2.1 (1) of the KMI Decision.

G-44-06 FORTISBC

Established an Oral Public Hearing and Regulatory Timetable to review the Big White Supply Project CPCN Application.

G-45-06 TERASEN GAS

Approved an amendment to Rate Schedule 36, Section 5.03 Notice of Appointment of Marketer and Appendix "C" Notice of Appointment of Marketers standard form to include a reference that directs a Marketer to provide a customer with a copy of "The Natural Gas Commodity Unbundling Program" booklet.

G-46-06 TERASEN GAS

Established an Oral Public Hearing and Regulatory Timetable to review the Residential Unbundling Program CPCN Application.

G-47-06 BC HYDRO

Approved amendments to Rate Schedule 1852 - Modified Demand Transmission Service and Electric Tariff Supplement No. 54, effective April 27, 2006.

G-48-06 BCTC

Approved for BCTC, BC Hydro and FortisBC the Fifth Amendment to the Reliability Criteria Agreement, effective May 1, 2005.

G-49-06 TERASEN GAS

Approved the incurrence of indebtedness of up to $500 million from time to time under the Term Credit Agreement with CIBC, subject to the credit agreement being substantially similar to the terms set forth in the confidential term sheet, and pricing no more than 25 basis points wider than the relevant margins and standby fees.

G-50-06 BCTC

Established a process and Regulatory Timetable to review the Network Economy and Open Access Transmission Tariff.

G-51-06 BC HYDRO

Established a Procedural Conference for the review of F2007-2008RRA, 2006 IEP and 2006 LTAP and amended the Regulatory Timetable established in Order No. G-37-06.

G-52-06 0745848 B.C. LTD.

Approved the acquisition of the common shares of Terasen Utility Services Inc. from Terasen Inc., subject to the conditions contained in the Reasons for Decision.

G-53-06 TGW/TGVI

Determined that the issuance of a CPCN for Terasen Whistler to convert its system to natural gas and for TGVI to construct a natural gas pipeline lateral to connect Whistler with its high pressure transmission system at Squamish will be in the public interest provided that the conditions precedent noted in the Order are met.

G-54-06 TERASEN GAS

Approved the termination of the Annual Fixed Rate Option under Rate Schedule 14A effective October 31, 2006, and approved the extension of Rate Schedule 14A.

Approved the extension of Rate Schedules 7 and 10 without material changes.

G-55-06 FORTISBC

Approved an extension to the May 16, 2000 Wholesale Transmission Service Agreement for the transmission of power from FortisBC's South Slocan Generating Station to its Princeton, BC substation during off-peak hours for the period of May 9, 2006 to July 31, 2006.

G-56-06 BC HYDRO

Authorized the establishment in fiscal year 2006, a regulatory asset in the amount of the loss provision it recognized in respect of the two claims made against it by First Nations and carry forward the regulatory asset until the settlement with First Nations is completed and the actual amount is known; and until BC Hydro has filed an application providing for the accounting treatment for the final settlement amount and the manner in which, if any, that amount may be recovered in rates.

G-57-06 TERASEN GAS

Established a written comment process for the review of the CPCN Application for the Replacement and Upgrading of the Vancouver Low-Pressure Gas Distribution System.

G-58-06 FORTISBC

Approved the Settlement Agreement for the 2006 Revenue Requirements and the Multi-Year Performance Based Regulation Plan for 2007 to 2009.

G-59-06 BC HYDRO

Approved the request for reconsideration of interim rates approved by Order No. G-32-06 and issued Letter No. L-21-06 which established a timetable for submissions and directed BC Hydro to file a Rate Design Application.

G-60-06 BC HYDRO

Established a Timetable for submissions on the July 1, 2006 interim rate increase in the Fiscal 2007 - Fiscal 2008 Revenue Requirements, 2006 Integrated Electricity Plan and 2006 Long-Term Acquisition Plan Review.

G-61-06 **BCTC**

Approved an interim rate decrease of 7.4%, effective July 1, 2006 and established a Procedural Conference and a Regulatory Timetable for the F2007 Revenue Requirements Application.

G-62-06 **BCUC**

Order approving the recovery of Commission costs through a levy, at the rate of $0.0080605353 per GJ equivalent of energy sold for the calendar year 2005 shall be paid by, and collected from, the public utilities in the 2006/07 fiscal year.

Pursuant to Section 125 of the Act and the regulation of the ICBC and BCTC, ICBC and BCTC shall pay the Commission's 2006/07 allocated budgeted expenses of $600,000 each, in quarterly installments. The Commission's cost recovery for ICBC and BCTC for 2006/07 will be reviewed in the last quarter to ensure the apportioned costs to these companies is appropriate.

Pursuant to Levy Regulation 283/88 and Letter No. L-39-96, the upstream natural gas processors and intraprovincial oil pipelines shall pay $1,000 each for the fiscal year commencing April 1, 2006.

G-63-06 **FortisBC**

Confirmed the date, time and location of the Oral Public Hearing into the CPCN Application for the Big White Supply Project.

G-64-06 **Terasen Gas**

Approved a decrease in the Commodity Cost Recovery Charge for natural gas customers in the Fort Nelson Service Area effective July 1, 2006.

G-65-06 **PLP**

Reasons for Decision approving the 2006 Revenue Requirements and pass-through of increase power purchase costs.

G-66-06 **PNG**

Order requesting BCOAPO and other registered intervenors to file comments related to further process, issues and evidence for the 2006 Rates application (PNG West & Granisle).

G-67-06 **BCTC**

Order issuing the Commission's Decision on the Transmission System Capital Plan F2006 to F2015 Update.

G-68-06 **Silversmith**

Approved the Contract between Silversmith and the Tin Cup Cafe subject to amendments.

G-69-06 **Terasen Gas**

Issued a revised Regulatory Timetable for the Residential Unbundling Program CPCN proceeding.

G-70-06 **BC Hydro**

Denied the JIESC Reconsideration Application of Order No. G-32-06 granting the interim increase in the F2007 and F2008 Revenue Requirements Application.

Approved the request in the F2007/2008 Revenue Requirements Application for a regulatory asset (deferral account) to record the F2007 revenue deficiency for the period April 1, 2006 to July 1, 2006 net of any disallowance of F2007 revenue requirements.

G-71-06 **BC Hydro**

Approved a 4.65 percent interim increase in rates, subject to refund, effective July 1, 2006, in the F2007 and F2008 Revenue Requirements Application.

G-72-06 **Terasen Gas**

Denied the request to increase the Revelstoke propane reference price and propane customer rates.

G-73-06 **TGW**

Approved the Rate Rider A increase from $4.470 per Gigajoule to $5.526 per Gigajoule or $1.056 per Gigajoule effective July 1, 2006.

G-74-06 **BCTC**

Approved interim refundable rates as shown in Table 11-8 of the F2007 and F2008 Revenue Requirements Application, Appendix A, effective July 1, 2006, which are consistent with a 7.4 percent

reduction in the Transmission Revenue Requirement.

G-75-06 **TERASEN GAS/TGVI/TERASEN SQUAMISH/TGW**

Directed that the location of data and servers providing service to the Terasen Utilities be restricted to Canada.

G-76-06 **TGW**

Order and Reasons for Decision amending the Cost Risk Sharing Mechanism set out on page 51 of the Commission's May 19, 2006 Decision with respect to the Squamish to Whistler Pipeline.

G-77-06 **PNGW**

Ordered that the evidentiary record in the 2006 Revenue Requirements proceeding be closed and established filing dates for Arguments.

G-78-06 **TERASEN (SQUAMISH)**

Approved an amendment to the Competitive Range Rate effective July 1, 2006 from the current rate of $10.57/GJ to the new rate of $11.26/GJ, a 6.53 percent change.

G-79-06 **PNG(NE)**

Approved permanent Gas Supply Cost Recovery Charges and commodity and Company-use gas GCVA rate riders for the Tumbler Ridge service area. The Fort St. John/Dawson Creek commodity GCVA credit rate rider will be $0.256/GJ effective July 1, 2006.

G-80-06 **TERASEN (SQUAMISH)**

Approved the application to cease bottled propane service and eliminate the Rate Schedule 1 General Service Propane Rate as of September 30, 2006. Reasons for Decision were issued.

G-81-06 **PNGW**

Approved the addition of the Section 3.11 Rental Premise Gas Tariff - General Terms and Conditions of Service, effective July 1, 2006.

G-82-06 **BCTC**

Amended the Regulatory Timetable for the Network Economy and Open Access Transmission Tariff proceeding.

G-83-06 **PNGW**

Approved, effective July 1, 2006, permanent Gas Supply Cost Recovery Charges and commodity and Company-use gas GCVA rate riders for PNG-West customers, except that the commodity GCVA credit rider for PNG-West will be $0.642/GJ. No changes will be made to the current Granisle Gas Supply Cost Recovery Charge and commodity GCVA debit rider.

G-84-06 **BCTC**

Established a second Procedural Conference and Regulatory Timetable for the F2007 Revenue Requirements.

G-85-06 **MARAUDER RESOURCES WEST COAST INC.**

Established a Workshop and Procedural Conference for Common Carrier/Common Processor Orders to Canadian Natural Resources Ltd. and Pioneer Natural Resources Canada Inc. regarding the Velma Field, Bluesky Pool.

G-86-06 **ICBC**

Order issuing the Commission's Decision on the 2006 Revenue Requirements for Universal Compulsory Automobile Insurance and Capital Management Plan and approving a 6.5 percent increase in Basic Insurance rates for all new or renewal policies with an effective date after March 14, 2006.

G-87-06 **TERASEN (SQUAMISH)**

Approved amendments to rate schedules for SGS, LGS, CRR and ACR-1 customers effective August 1, 2006 and determined that the calculation to reestablish the competitive fuel oil prices for the ACR-1 rate class is acceptable.

G-88-06 **TERASEN GAS**

Approved the elimination of Rate Schedule 5, Tariff Supplement No. D-3, and approved Rate Schedule 25, General Firm Transportation Service Agreement with IG Machine & Fibers Ltd., dated April 30, 2006 as Tariff Supplement No. E-14, effective July 1, 2006.

G-89-06 **BC HYDRO**

Approved the Amending Agreement that revises Electric Tariff Supplement No. 56 for the sale of steam from Burrard to Imperial Oil at IOCO Terminal.

G-90-06 **TERASEN GAS**

Approved Tax Loss Utilization Planning ("TLUP") transactions subject to the conditions that all transactions in the TLUP are to be non-utility and will have no adverse impact on the utilities or their customers.

G-91-06 **FORTISBC**

Approved the issuance of up to 250,000 authorized $100 par value common shares to Fortis Pacific Holdings Ltd. for a total value of up to $25 million on or before December 31, 2006.

G-92-06 **BC HYDRO**

Established a written hearing process to review the customer disputes regarding the Transmission Service Rates Customer Baseline Load. Each dispute is to be treated as a separate process, with all detailed information about the operations of the customer to be kept confidential.

G-93-06 **MARAUDER RESOURCES WEST COAST INC.**

Established an Oral Public Hearing and Regulatory Timetable to review the Marauder Common Carrier/Common Processor Orders to Canadian Natural Resources Ltd. and Pioneer Natural Resources Canada Inc. Velma Field, Bluesky Pool Applications. A Pre-Hearing Conference was also established regarding the regulatory review process.

G-94-06 **PNGW/PNG(NE)**

Approved the establishment of a deferral account to record Bill 198 Compliance Costs.

G-95-06 **PNG(NE)/PNGW**

Approved Rate Schedule 23 for Commercial Firm Transportation Service, effective January 1, 2006.

G-96-06 **BC HYDRO**

Issued a Revised Regulatory Timetable to complete the review of the F2007 and F2008 Revenue Requirements Application, the 2006 Integrated Electricity Plan and the 2006 Long-Term Acquisition Plan Applications.

Directed BC Hydro to file a rate design application within thirty calendar days of the date of the F2007/F2008 Revenue Requirements Application Decision.

G-97-06 **FORTISBC**

Established a Written Public Hearing process, Workshop and Regulatory Timetable for the review of the 2007-2008 Capital Expenditure Plan and 2007 System Development Plan Update.

G-98-06 **BCTC**

Established a Negotiated Settlement Process for the review of the F2007 Revenue Requirements Application.

G-99-06 **PNGW**

Order and Reasons for Decision approving the 2006 Rates for PNG-West and Granisle.

G-100-06 **PNG(NE)**

Approved the Negotiated Settlement Agreement and the Terms of the Negotiated Settlement Agreement to the 2006 Revenue Requirements.

G-101-06 **STARGAS**

Established a Written Public Hearing process to review the Application to Alter Rates.

G-102-06 **CORIX**

Approved a 4.65 percent interim increase in Electric Tariff Rate Schedules for Sonoma Pines on a prospective basis effective September 1, 2006, subject to review in the event of a complaint by an interested party within 60 days of the effective date of the amended rates.

G-103-06 **CORIX**

Approved a 4.65 percent interim increase in Electric Tariff Rate Schedules for Sun Rivers on a prospective basis effective September 1, 2006, subject to review in the event of a complaint by an interested party within 60 days of the effective date of the amended rates.

G-104-06 **TERASEN GAS**

Denied Terasen Gas' Reconsideration Application of Order No. G-98-05 and Reasons for Decision relating to the Recovery of Inland Pacific Connector Development Costs.

G-105-06 **BCTC**

Issued an amended and expanded Regulatory Timetable for further steps in the Network Economy and Open Access Transmission Tariff proceeding.

G-106-06 **FORTIS PACIFIC HOLDINGS INC./ FORTISBC/PLP**

Established a written public hearing process and Regulatory Agenda for the review of the application to transfer PLP shares and assets to FortisBC and the Wind up of PLP.

G-107-06 **UNOCAL**

Accepted for filing on an interim basis, gas storage agreements and the General Terms and Conditions for Firm Natural Gas Storage, effective September 1, 2006.

Granted a CPCN on an interim basis for the operation of the Aitken Creek Storage Facility as it currently exists, with the CPCN effective until Unocal's exemption order application is resolved or until the Commission makes another determination on the matter.

G-108-06 **TERASEN GAS**

Approved revisions to the Stable Commodity Rate Schedule 1S Residential Service and a fixed gas rate for the Stable Rate option of $9.33/GJ, effective September 15, 2006 covering the period of January 1, 2007 to December 31, 2007.

G-109-06 **TERASEN GAS**

Approved for the Revelstoke service area, a reference price increase of $0.0293 per litre, which corresponds to a rate increase of $1.188/GJ in customers' rates, effective October 1, 2006.

G-110-06 **TGW**

Approved an increase to Rider A from $5.526/GJ to $7.219/GJ, effective October 1, 2006.

G-111-06 **BCTC**

Suspended all process steps under the Amended Regulatory Timetable in Order No. G-105-06, pending confirmation from participants that a final settlement in the Network Economy and Open Access Transmission Tariff negotiation has been reached.

Suspended the requirement in Commission Letter L-49-06 that the Alberta Coalition file responses to certain BC Hydro Information Requests until further Order of the Commission.

G-112-06 **TERASEN GAS/TGVI/TERASEN (SQUAMISH)/TGW**

Approved the application to maintain the Terasen Utilities' process and control documentation required for OSC compliance purposes on KMI's licensed software and to allow Terasen Inc. Internal Audit staff to store electronic document files on a shared server owned by KMI, located in Houston, Texas.

G-113-06 **FORTISBC**

Established a written public process for the review of the CPCN Application for an Automated Mapping/Facilities Management/Geographical Information System (AM/FM/GIS) Transition Project.

G-114-06 **CORIX**

Denied Corix's Reconsideration Application of the Interim Rate Increase approved in Order No. G-102-06 for the Electric Utility at Sonoma Pines Subdivision in Westbank, BC.

G-115-06 **CORIX**

Denied Corix's Reconsideration Application of the Interim Rate Increase approved in Order No. G-103-06 for the Electric Utility at Sun Rivers Service Area.

G-116-06 **TERASEN GAS/TGVI/TERASEN (SQUAMISH)/TGW**

Approved the Application to record incident information in KMI's US-based Risk Event Management System ("REMS") and to transfer employee contact information required to support the Emergency Response Line ("ERL") and REMS databases.

G-117-06 **TERASEN GAS/TGVI/TERASEN (SQUAMISH)/TGW**

Approved the continued appointment of Joseph Listengart as General Counsel and Secretary and for changes in the area of Internal Audit within the Corporate Centre.

G-118-06 **FORTISBC**

Established a Workshop and Annual Review process to review the 2006 performance results to determine if FortisBC is eligible for an incentive payment.

G-119-06 **TERASEN ENERGY SERVICES INC.**

Established a written public hearing process for the review of the Propane Gas Distribution System for Gateway Lakeview Estates CPCN Application.

G-120-06 **BC HYDRO**

Approved the Application for Conservation Research Initiative - Residential Time of Use Rates as amended.

G-121-06 **TERASEN GAS**

Established the 2006 Annual Review process for the 2007 Revenue Requirements and Mid-Term Assessment Review.

G-122-06 **TGVI**

Established the 2006 Settlement Update Meeting to review operations through 2006 and 2007 Revenue Requirement material.

G-123-06 **SUN PEAKS**

Approved an interim increase of 20 percent in the monthly basic charge and a $0.36/GJ rate increase in the delivery charge for all customer classes, effective November 1, 2006, subject to refund with interest and established a written public hearing process to review the 2006/07 Revenue Requirements Application.

G-124-06 **SEA BREEZE VICTORIA CONVERTER CORP.**

Denied the Reconsideration Application of the Commission's July 7, 2006 Decision on BCTC's Vancouver Island Transmission Reinforcement Project CPCN Application. Reasons for Decision were appended to the Order.

G-125-06 **P. SUTHERLAND/K. NAM/M. WARWARICK**

Denied the Reconsideration Application of the Commission's July 7, 2006 Decision on BCTC's Vancouver Island Transmission Reinforcement Project CPCN Application. Reasons for Decision were appended to the Order.

G-126-06 **PNG(NE)**

Approved on an interim basis the General Terms and Conditions and Table of Charges for Rate Schedule 23 - Commercial Firm Transportation Service for the Fort St. John/Dawson Creek service area effective November 1, 2006.

G-127-06 BCTC

Approved the Settlement Agreement, including Attachment Q to the Open Access Transmission Tariff and Tariff Supplement BCTC-1.

G-128-06 UNOCAL

Accepted for filing on an interim basis, effective November 1, 2006, a Firm Natural Gas Storage Agreement dated October 5, 2006 between Unocal Canada Limited and Westcoast Energy Inc., subject to the filing of the fully executed agreement.

G-129-06 PENGROWTH CORPORATION

Varied Exemption Order No. G-68-04 to remove L&E Consulting Ltd. which is replaced by Cimmaron Camp Services.

G-130-06 BCUC

Approved the new Rules for Natural Gas Energy Supply Contracts, effective October 27, 2006.

G-131-06 STARGAS

Approved an interim rate decrease effective November 1, 2006. The difference, if any, between the F2007 interim rates and permanent rates will be subject to refund with interest calculated for the refund period at the average prime rate of the principal bank where Stargas conducts its business.

G-132-06 KYUQUOT

Approved the conversion of the $800,000 drawn on its Demand, Non-Revolving Loan Agreement to a fixed-term interest rate loan of two or three years with an all-in interest rate not to exceed 7.40 percent.

G-133-06 TERASEN GAS/TGVI/TGSQ/TGW

Approved the assumption by Mr. David Kinder to the position of Treasurer of Terasen Inc. and Terasen Gas until such time as Terasen Inc. and Terasen Gas appoint a Treasurer in Canada.

G-134-06 UNOCAL CANADA LIMITED

Established a written hearing for the review of the Exemption application for the Aiken Creek Storage Facility.

G-135-06 TERASEN ENERGY SERVICES INC.

Established a written public hearing to review the CPCN Application for a Propane Gas Distribution System for Gateway Lakeview Estates and for approval of a Rate Tariff, General Terms and Conditions of Service and Deferral Accounts.

G-136-06 FORTISBC

Approved the Interconnection Facilities Agreement for the BC Hydro Kootenay Canal Substation and accepted for filing the Interconnection Agreement between FortisBC and BCTC.

G-137-06 TERASEN GAS

Approved the 2006/07 Gas Supply Mitigation Incentive Program for the gas contract year from November 1, 2006 to October 31, 2007.

G-138-06 BC HYDRO

Reasons for Decision approving the final Customer Baseline Loads ("CBLs") and approved adjusted CBLs for Highland Valley Copper and Canadian Forest Products Ltd. - Taylor Pulp Mill.

G-139-06 BCTC

Approved the Negotiated Settlement Agreement for the F2007 Transmission Revenue Requirement Application.

G-140-06 FORTISBC

Established an Oral Public Hearing process for the review of the Ellison Substation Project CPCN Application.

G-141-06 TSAWWASSEN RESIDENTS AGAINST HIGHER VOLTAGE OVERHEAD LINES (TRAHVOL)

Denied the Reconsideration Application of the Commission's July 7, 2006 Decision on BCTC's Vancouver Island Transmission Reinforcement Project CPCN Application. Reasons for Decision were appended to the Order.

G-142-06 BC HYDRO

Established an Oral Hearing for the review of the Energy Supply Contract with Alcan Inc.

G-143-06 BC HYDRO

Approved the F2007 and F2008 Revenue Requirements Negotiated Settlement Agreement, dated November 2, 2006.

G-144-06 TALISMAN ENERGY CANADA

Approved an exemption for Talisman from Section 71 and Part 3 of the Act (except Section 22 of the Act) for the sale of electrical power from the Bullmoose Substation to Bullmoose Operating Corporation ("BOC") and Imperial Oil Limited, and an exemption for BOC and Imperial Oil from Section 71 with respect to such sales, effective November 17, 2006.

G-145-06 BCTC

Directed BCTC to refund any overpayment in rates with interest calculated at the rate set forth in the Proposed Settlement Agreement approved by Order No. G-139-06.

G-146-06 PNG

Issued a Public Review Process Notice for the 2007 Revenue Requirements and Rates Application.

Approved an interim rate increase in the rates for the Delivery Charge for all classes of customers except West Fraser, and an interim rate increase in the RSAM rider for Residential and Small Commercial Sales customers, except Granisle propane service customers, effective January 1, 2007.

Approved the Company Use Gas Cost rate of $0.128/GJ as an interim rate effective January 1, 2007.

G-147-06 FORTISBC

Order and Reasons for Decision approving the Capital Expenditures, pursuant to Section 45(6.2) (b) of the Act.

Directed Fortis to file CPCN application for the Benvoulin Substation Project and the Castlegar Area Capacity Increase (Ootischenia Substation) Project.

G-148-06 BC HYDRO

Rescinded the direction of filing within thirty calendar days in paragraph 2 of Order No. G-96-06 pertaining to the F2007 and F2008 Revenue Requirements Application and directed the Utility to file the Fully Allocated Cost of Service Study, the Rate Design Model and the list of issues by December 11, 2006. Ordered BC Hydro to file a rate design application by March 15, 2007.

G-149-06 BC HYDRO

Established a written public hearing for the review the BC Hydro's CPCN Application to redevelop the Aberfeldie Redevelopment Project to be filed by December 6, 2006.

G-150-06 DIRECT ENERGY MARKETING LIMITED

Order and Reasons for Decision approving amendments to the Code of Conduct for Gas Marketers, Article 11 and Article 23.

G-151-06 BC HYDRO

Approved the cancellation and full discharge of the outstanding debt covering CGED Forest Products Ltd., effective December 4, 2006.

Denied BC Hydro's request to keep the application and BCUC approval confidential.

G-152-06 TERASEN GAS

Order and Reasons for Decision for the Residential Commodity Unbundling CPCN the Customer Education Plan, Confirmation Letter, subject to amendment, the Dispute Resolution Process, and the Code of Conduct for Gas Marketers as set out in the Application subject to revisions in Article 13 and Article 27.

Approved Rate Schedule 36.

G-153-06 PNG(NE)

Established a Public Review process for the 2007 Revenue Requirements and Rates Application.

Approved interim rate changes in the Delivery Charge in rates for all classes of customers, and an interim rate change in the RSAM rider for Residential and Small Commercial sales customers, effective January 1, 2007.

Approved the Company Use Gas Cost rates of $0.086/GJ for the FSJ/DC Division and $0.487/GJ for the TR Division, as interim rates, effective January 1, 2007.

G-154-06 FORTISBC/BIG WHITE SKI RESORT LTD.

Order and Reasons for Decision denying the Big White Ski Resort and FortisBC's Reconsideration Applications, as set out in the Reasons for Decision.

G-155-06 UNOCAL

Established a written public hearing for the examination of the Application for Exemption from the provisions of the Act for the Aitken Creek Storage Facility.

G-156-06 BC HYDRO

Order and Reasons for Decision approving the Tariff Practices for the Transmission Service Rates Customer Baseline Load Application, subject to revision, and directing that the Tariff Practices shall only be applicable where the CBL Guidelines are silent and shall never be applicable in a manner inconsistent with the specific or general provisions of the Customer Baseline Load Guidelines.

G-157-06 BCTC

Approved the $3.75 million estimated total capital expenditures for the construction of the interconnection facilities for the Zeballos Lake Hydro Project.

G-158-06 SUN PEAKS

Approved a Gas Commodity Charge - Propane of $15.3/GJ, effective December 1, 2006.

Approved a Gas Commodity Charge - GCRA of $0.730/GJ, effective December 1, 2006.

G-159-06 FORTISBC/PLP

Approved the transfer of PLP shares and assets to FortisBC Inc., pursuant to Sections 41, 50, 52, 53 and 54 of the Act.

G-160-06 TERASEN GAS

Order and Reasons for Decision accepting Terasen Gas' opinion regarding the applicability of Sections 41, 50, 52, 53 and 54 of the Act, and agrees that the Commission approval is not required for the amalgamation of Terasen Gas and Terasen Gas (Squamish).

Approved the 2007 Revenue Requirements and Delivery Rates Application.

G-161-06 TGVI

Order and Negotiated Settlement approving the revised December 31, 2005 year end balance in the Revenue Deficiency Deferral Account in the amount of $48,731,214.

Approved permanent rates effective January 1, 2007 as set out in the revised Application.

G-162-06 FORTISBC

Approved the Settlement Agreement, except for the proposed delay in the removal of CWIP subject to AFUDC from the rate base.

Ordered that the proposed delay in the removal of CWIP subject to AFUDC from rate base will be examined separately under an expedited review process, and further ordered FortisBC to file written submissions by Friday, January 5, 2007.

G-163-06 STARGAS

Order and Reasons for Decision approving the Application to Alter Rates.

Denied the request for approval of loan guarantee fees.

Directed Stargas to exclude "notional equity" from its capital structure in F2007 and future applications and denied the request for approval of a return on notional equity.

G-164-06 TERASEN GAS

Ordered that no change in gas commodity costs for Fort Nelson is required at this time.

Approved the requested RSAM rider increase from $0.039/GJ to $0.073/GJ for Rate 1 Residential, Rate 2.1 Small Commercial, Rate 2.2 Large Commercial, Industrial Service Rates 3.1, 3.2 and 3.3 and Rate 25 General Firm Transportation effective January 1, 2007.

G-165-06 PNG(NE)

Approved the commodity rates recommended in the 2006 Fourth Quarter Gas Cost Report, including a GCVA commodity credit rate rider of $0.427/GJ for the Tumbler Ridge Division, effective January 1, 2007.

Company use gas cost rates as approved by Order No. G-153-06 remain interim pending the review of PNG(NE)'s 2007 revenue requirements application.

G-166-06 PNGW

Approved commodity rates for PNG-West and Granisle as set out in the Report effective January 1, 2007, as permanent rates.

The PNG-West Company use gas cost rate remains interim pending review of PNG's 2007 revenue requirements application.

G-167-06 TGI

Ordered, pursuant to Section 61(4) of the Act, as follows:

- Rate Rider 6 is set to zero, effective January 1, 2007.
- Effective January 1, 2007, the Midstream rates are changed for the Sales Rate Classes within the Lower Mainland, Inland and Columbia Service Areas to the Midstream Cost Recovery Charges shown in the 2006 Fourth Quarter Report, Tab 2, Table B, pages 1, 1.1 and 1.2, line 30.
- Market Administration Budget for 2007 of $2,397,347 is approved.

G-168-06 TGW

Approved a decrease in Rate Rider A of $2.725/GJ from $7.219/GJ to $4.494/GJ effective January 1, 2007, and ordered that the General Service Rate will remain unchanged.

G-169-06 TERASEN GAS

Approved for the Revelstoke Service Area a propane reference price decrease of $0.0665 per litre to $0.3252 per litre, which corresponds to a reduction of $2.700/GJ in customer rates, effective January 1, 2007.

G-170-06 TERASEN GAS

Approved the following for the Commercial Commodity Unbundling Deferral Cost Recovery and the Stable Commodity Rate Residential Service Cost Recovery:

- An extension of the original three-year amortization period for the Commercial Commodity Unbundling deferred implementation costs by one additional year to include 2008.
- Rate Rider 8 applicable to Rate Schedules 2, 2U, 3, and 3U customers, excluding Revelstoke and Fort Nelson, is set at $0.053/GJ effective January 1, 2007.

- Rate Rider 9 applicable to Rate Schedules 1 and 1S customers within the Lower Mainland, Inland and Columbia service areas, excluding Revelstoke and Fort Nelson, is set at $.001/GJ, effective January 1, 2007.

G-171-06 FORTISBC

Established a Revised Regulatory Timetable for the review of the Ellison Substation Project CPCN Application and set the Agenda for the Workshop and Pre-hearing Conference.

G-172-06 TGW

Approved the continuation of the current rates and the Rider A adjustment mechanism effective January 1, 2007 and the recording of variances in the Interest Rate Differential deferral account, the Property Tax deferral account, the Sales Margin Differential deferral account and the Deferred Return on Equity variance account for 2007 activity compared to 2005 approved as established in Order No. G-14-04.

Denied the request to record the 2006 variances, on a retroactive basis, in the Interest Rate Differential deferral account, the Property Tax deferral account, the Sales Margin Differential deferral account and the Deferred Return on Equity variance account.

Denied the request to depart from using a portion of the Uniform System of Accounts for recording its O&M expense in Accounts No. 600 to 999. Directed Terasen Whistler to consider participating in the TGVI and Commission staff Working Group.

G-173-06 PLP

Ordered that the PLP Contracting Activities Deferral Account debit balance of $36,259 at December 31, 2005 is to be charged to PLP's operations for the period ended December 31, 2006.

Established that the PLP Contracting Operations Deferral Account is to be finalized at the end of December 31, 2006 and the balance charged to PLP's current operations for the period ended December 31, 2006.

G-174-06 BIG WHITE GAS UTILITY LTD.

Approved the current Propane Tariff rate schedules as interim, effective with consumption commencing on January 1, 2007.

Ordered Big White to inform the Commission of the status of the sale of the propane utility by May 31, 2007 or earlier.

Directed Big White or the new purchaser, to file an amended 2006 Revenue Requirements Application, updated for actual results, along with a new 2007 Revenue Requirements Application (for the period June 1, 2007 to May 31, 2008), all by June 1, 2007.

G-175-06 THE CORPORATION OF THE CITY OF NELSON

Approved and accepted for filing Electrical Utility Amendment By-Law No. 3069, 2006 incorporating a 1.9 percent rate increase to all customers, effective January 1, 2007.

G-176-06 BC HYDRO

Denied, pursuant to Section 71 of the Act, the LTEPA Amending Agreement and the Amended and Restated LTEPA that BC Hydro filed on November 1, 2006 as Energy Supply Contracts and finds, pursuant to subsection 71(2) of the Act that the Contracts are not in the public interest and, pursuant to subsection 71(3) of the Act, declares that the Contracts are wholly unenforceable.

G-1-07 FORTISBC

Established an Extended Regulatory Timetable for the review of the Ellison Substation CPCN Project Application and formalized the Hearing Issues List for the Oral Hearing.

G-2-07 PNGW

Established a Written Public Hearing process for the review of the 2007 Revenue Requirements and Rates Application.

G-3-07 PNG(NE)

Established a Written Public Hearing process for the review of the 2007 Revenue Requirements and Rates Application.

G-4-07 **FortisBC**

Established a Procedural Conference regarding the regulatory process for the review of the Black Mountain Substation CPCN Project.

G-5-07 **BCTC**

Established a written hearing process for the regulatory review of the F2008 to F2017 Transmission System Capital Plan Application.

G-6-07 **BC Hydro**

Approved, pursuant to Section 41 of the Act, the decommissioning of the Lytton Diesel Generating Station.

G-7-07 **BCTC**

Approved, pursuant to Section 45(6.2)(b) of the Act, the capital expenditures for the construction of interconnection facilities for the Ashlu Creek Power Project.

G-8-07 **Terasen Gas**

Established a written public hearing process for the Application for a Two-Year Extension of the 2004-2007 Multi-Year Performance-Based Rate Plan for 2008-2009.

G-9-07 **TGVI**

Established a written public hearing process for the Application for an Extension of the 2006-2007 Negotiated Settlement Agreement Terms for 2008-2009.

G-10-07 **Sun Peaks**

Established a written public hearing process for the 2006/07 Revenue Requirements Application.

G-11-07 **BCTC**

Approved an Accounting Order to record entries prior to the end of F2007 related to the F2007 Transmission Revenue Requirements Application.

G-12-07 **Unocal**

Directed Unocal to provide complete responses to certain Information Requests filed in the proceeding regarding the Aitken Creek Storage Facility Exemption Application.

Denied the request of Unocal for a Procedural Conference to establish a mechanism that limits disclosure of the information that Unocal is required to provide pursuant to this Order.

G-13-07 **BC Hydro**

Approved the cancellation of Tariff Supplement No. 31 and the forgiveness of the balance of the loan amount from the Field, BC customers, effective December 1, 2006.

G-14-07 **BC Hydro**

Approved Electric Tariff Supplement No. 75 - Special Contract with Easywash for its Fuel Cell Demonstration Project for the generation and delivery of electricity from the Easywash carwash to BC Hydro, effective February 15, 2007.

G-15-07 **Marauder Resources West Coast Inc.**

Dismissed the Applications by Marauder for common carrier and common processor declarations against Canadian Natural Resources Limited and Pioneer Natural Resources Canada Inc.

G-16-07 **BC Hydro**

Amended paragraph 3 of Order No. G-6-07 regarding the Decommissioning of the Lytton Diesel Generating Station, delaying the date for filing the detailed environmental assessment and a site reclamation estimate and schedule to June 30, 2007.

G-17-07 **BC Hydro**

Approved a F2008 return on equity of 12.05%, effective April 1, 2007 and adjusts downward by $33.7 million to $376.3 million the F2008 revenue requirement in accordance with Special Direction HC2 and the F2007/F2008 revenue requirements Negotiated Settlement Agreement.

Directed BC Hydro to apply $33.7 million to the balance in its Non-Heritage Deferral Account as a result of the reduction in the allowed permanent F2008 ROE.

G-18-07 FORTISBC

Established an Oral Public Hearing process for the review of the Black Mountain Substation CPCN Project.

G-19-07 BCTC

Approved the extension of BCTC rates, terms and conditions for Loss Compensation Service under current pricing, terms and conditions on an interim basis. Approved the extension of BC Hydro RS 3016 on an interim basis.

G-20-07 FORTISBC

Order and Reasons for Decision denying FortisBC's proposal for the removal of Construction Work in Progress (CWIP) subject to the Allowance for Funds Used During Construction (AFUDC) from the rate base under the Performance-Based Rate Settlement.

G-21-07 PESH FACILITIES HOLDING PARTNERSHIP

Approved an exemption from Part 3 of the Act, other than Sections 24 and 25, for the Peggo, Midwinter and Tooga areas, including all pipelines, plant and related facilities used to transport or process natural gas for others, effective March 1, 2007.

G-22-07 FORTIS INC.

Established a written public hearing and Procedural Conference to review the Application to Acquire the issued and Outstanding Shares of Terasen Inc.

G-23-07 ICBC

Approved the amendment of the 2006 Basic Insurance Rate Schedule to include a new rate class 603.

G-24-07 BCTC

Established a Revised Regulatory Timetable to review the BCTC F2008 to F2017 Capital Plan Application.

G-25-07 PLP

Approved up to $142,720 cumulative cost of the Meter Upgrade Program (MUP) to be included in PLP's plant assets.

Approved the transfer of $142,720 MUP assets to FortisBC, effective January 1, 2007. FortisBC is to apply for approval before incurring any additional MUP expenses.

G-26-07 TERASEN GAS

Approved Rate Schedule 22B Transportation Service Agreement with Elk Valley Coal Corporation for its Line Creek Operations as Tariff Supplement No. G-19, effective January 1, 2007.

G-27-07 TERASEN GAS

Approved the addition of Domtar Pulp and Paper Products, Inc. and Weyerhaeuser Canada Limited with regard to their respective pulp mill and sawmill operations to the list of companies served under Rate Schedule 22A, effective March 5, 2007.

G-28-07 PNGW/PNG(NE)

Approved a permanent GCVA credit rate rider of $1.310/GJ and a permanent Company use debit rate rider of $0.197/GJ, for the PNG(NE) Tumbler Ridge service area, effective April 1, 2007. Accepted the recommendation that no other changes be made to the Gas and Propane Supply Recover charges or GCVA and Company use rate riders for the PNG and PNG(NE) service areas, effective April 1, 2007.

G-29-07 BC HYDRO

Accepted, pursuant to subsection 45(6.2)(b) of the Act, the specific determinations as set out on page 8 of the BC Hydro final argument with respect to the 2006 Integrated Electricity Plan and the 2006 Long-Term Acquisition Plan.

G-30-07 FortisBC

Established a Procedural Conference and Regulatory Timetable for review of the Rate Design Application for the Big White Supply Project.

G-31-07 ICBC

Approved an interim increase in Basic Insurance rates of 3.3 percent for all new and renewal policies with an effective date on or after May 1, 2007.

G-32-07 ICBC

Established a Workshop, Pre-Hearing Conference to establish the Regulatory Agenda and Timetable for review of the 2007 Revenue Requirements and 2007 Rate Design Applications.

G-33-07 Terasen Gas

Approved the two-year extension of the Settlement Agreement for a 2004-2007 Multi-Year Performance-Based Rate Plan for 2008 and 2009.

G-34-07 TGVI

Approved the two year extension of the 2006-2007 Revenue Requirement Negotiated Settlement Agreement terms for 2008-2009.

G-35-07 FortisBC

Pursuant to Order in Council 125, 2007 exempted the use of the Interconnection Facilities, Kootenay Canal Substation and those portions of Line 2L288 and Line 60L227 owned by BC Hydro for power flowing between the Brilliant Terminal Station and FortisBC's South Slocan Substation.

G-36-07 BC Hydro

Established a Preliminary Regulatory Timetable and a Procedural Conference for the review of the 2007 Rate Design Application.

G-37-07 BCTC

Approved the current customer rates as interim, effective April 1, 2007, and established a Written Public Hearing Process for the review of the Allowance for Funds Used During Construction Accounting Treatment and Proposed Disposition of the F2008 Forecast Revenue Sufficient and F2008 Financial Information Filing.

G-38-07 BCTC / BC Hydro

Approved the extension of BCTC rates, terms and conditions for Loss Compensation Service effective from May 1, 2007 until March 1, 2009.

Approved the extension of BC Hydro's Rate Schedule 3016 rates, effective from May 1, 2007 until March 1, 2009.

G-39-07 Fortis Inc.

Amended the Regulatory Timetable to provide for the filing of Intervenor submissions and Fortis Reply Submissions for the Acquisition of the Issued and Outstanding Shares of Terasen Inc. proceeding.

Certificates of Public Convenience and Necessity

C-1-06 **FortisBC**

Order issuing the Nk'Mip (East Osoyoos) Transmission and Substation Project Decision and granting a CPCN for Option 2 as modified upon complying with the conditions and directions set out in the Decision.

C-2-06 **Terasen Gas**

Approved the replacement and upgrading of the Vancouver Low-Pressure Gas Distribution System.

C-3-06 **TGVI/TGW**

Approved the construction of an Intermediate Pressure Pipeline to connect Whistler with the high pressure transmission system at Squamish and issued a CPCN to Terasen (Whistler) to convert its system to natural gas.

Approved the conversion of the TGW propane grid system to natural gas.

C-4-06 **BCTC**

Order issuing the Vancouver Island Transmission Reinforcement Project Decision granting a CPCN for the Project, including overhead construction of the line in Tsawwassen and on the Gulf Islands. The CPCN is subject to the condition that the modified cost control/incentive mechanism described in Section 9 of the Decision.

Dismissed the Tsawwassen Residents Against Higher Voltage Overhead Lines (TRAHVOL) complaint filed by letter dated November 8, 2005, pursuant to Section 25 of the Act.

C-5-06 **FortisBC**

Granted a CPCN for the Kettle Valley Distribution Source Project as described in Option 2, in accordance with the Reasons for Decision.

C-6-06 **Terasen Gas**

Approved the Residential Commodity Unbundling Project for residential customers in all Terasen Gas service areas, excluding Fort Nelson and Revelstoke, effective November 1, 2007.

C-7-06 **Terasen Gas**

Approved the Operating Agreement with the Town of Oliver from January 1, 2006 to December 31, 2025.

C-8-06 **Terasen Gas**

Approved the Operating Agreement with the District of 100 Mile House from January 1, 2006 to December 31, 2025.

C-9-06 **Terasen Gas**

Approved the Operating Agreement with the City of Cranbrook, from January 1, 2006 to December 31, 2025.

C-10-06 **Terasen Gas**

Approved the Operating Agreement with the Town of Creston from January 1, 2006 to December 31, 2025.

C-11-06 **Terasen Gas**

Approved the Operating Agreement with the City of Fernie from January 1, 2006 to December 31, 2025.

C-12-06 **Terasen Gas**

Approved the Operating Agreement with the City of Grand Forks from January 1, 2006 to December 31, 2025.

C-13-06 **Terasen Gas**

Approved the Operating Agreement with the District of Hudson's Hope from January 1, 2006 to December 31, 2025.

C-14-06 TERASEN GAS

Approved the Operating Agreement with the City of Kimberley from January 1, 2006 to December 31, 2025.

C-15-06 TERASEN GAS

Approved the Operating Agreement with the Town of Osoyoos from January 1, 2006 to December 31, 2025.

C-16-06 TERASEN GAS

Approved the Operating Agreement with the City of Rossland from January 1, 2006 to December 31, 2025.

C-17-06 FORTISBC

Order issuing the Commission's Decision on the Big White Supply Project granting a CPCN for Option 1 upon meeting the condition set out in the Decision.

C-18-06 STARGAS

Amended CPCN No. C-4-00 issued to Silver Star Mountain Resort Utilities Ltd. to recognize the name change to Stargas Utilities Ltd. for the operation of the natural gas distribution system at the Resort Community of Silver Star.

C-19-06 CAL-GAS INC.

Approved the construction and operation of an underground propane grid system to serve the Kicking Horse Mountain Resort with Cal-Gas being responsible for obtaining all other necessary licences, permits and agency approvals.

C-20-06 FORTISBC

Order and Reasons for Decision granting a CPCN for the Automated Mapping/Facilities Management Geographical Information System Transition Project.

C-22-06 TERASEN ENERGY SERVICES

Order and Reasons for Decision granting a CPCN for the construction and operation of an underground propane grid distribution system to serve Gateway Lakeview Estates.

C-1-07 TERASEN GAS

Approved the Operating Agreement for the Village of Chase for the period of January 1, 2007 to December 31, 2026.

C-2-07 BC HYDRO

Granted a CPCN for the Aberfeldie Project.

C-3-07 TERASEN GAS

Approved the Operating Agreement with the Westbank First Nation for a period of 15 years, effective February 15, 2007.

Approved the Amendments to its Gas Tariff Terms and Conditions of Service and Rate Schedule, effective February 15, 2007.

Natural Gas Marketer Licences
(formerly Agents/Brokers/Marketers Licences)

A-2-06 PREMSTAR ENERGY CANADA LIMITED PARTNERSHIP

Issued a Natural Gas Marketer Licence for the period of November 1, 2006 to October 31, 2007.

A-3-06 NEXEN MARKETING

Issued a Natural Gas Marketer Licence for the period of November 1, 2006 to October 31, 2007.

A-4-06 ES (B.C.) LIMITED PARTNERSHIP

Issued a Gas Marketer Licence for Commercial Commodity Unbundling Program for the period of November 1, 2006 to October 31, 2007.

A-5-06 AVISTA ENERGY CANADA LTD.

Issued a Gas Marketer Licence for the period of November 1, 2006 to October 31, 2007.

A-6-06 UNIVERSAL ENERGY CORPORATION

Issued a Gas Marketer Licence for the period of November 23, 2006 to October 31, 2007.

A-7-06 CEG ENERGY OPTIONS INC.

Issued a Gas Marketer Licence for the period of December 7, 2006 to October 31, 2007.

A-1-07 MXENERGY (CANADA) LTD.

Issued a Gas Marketer Licence for the period of January 11, 2007 to October 31, 2007.

A-2-07 ACCESS GAS SERVICES INC.

Issued a Gas Marketer Licence for the period of January 11, 2007 to October 31, 2007.

A-3-07 DIRECT ENERGY MARKETING LTD.

Issued a Gas Marketer Licence for the period of February 1, 2007 to October 31, 2007.

A-4-07 PLANET ENERGY (B.C.) CORP.

Issued a Gas Marketer Licence for the period of February 22, 2007 to October 31, 2007.

A-5-07 INTRA ENERGY BC INC.

Issued a Gas Marketer Licence, for the period of February 22, 2007 to October 31, 2007.

ENERGY SUPPLY CONTRACTS

E-3-06	**TERASEN**	Gas Storage Contracts and a Related Transportation Agreement at Aitken Creek
E-4-06	**TGW**	2005 to 2007 Propane Supply Contract with MP Energy Partnership
E-5-06	**TERASEN**	Propane Supply Agreement with Superior Plus Inc. DBA Superior Propane (Revelstoke Service Area)
E-6-06	**BC HYDRO**	Amending Agreement to an Electricity Purchase Agreement with Upnit Power Corporation
E-7-06	**BC HYDRO**	Energy Supply Contracts/Fiscal 2006 Call Electricity Purchase Agreements
E-8-06	**TERASEN**	2006/2007 Natural Gas Supply Contracts
E-9-06	**TGVI**	Baseload, Seasonal and Peaking Purchases and Amendments to Natural Gas Energy Supply Contracts
E-10-06	**BC HYDRO**	Amending Agreement to Electricity Purchase Agreements
E-11-06	**PNG**	2006/2007 Natural Gas Supply Contracts
E-12-06	**TERASEN**	Section 71 Filings of Gas Supply and Related Contracts
E-1-07	**BC HYDRO**	Assigning and Amending Agreements to Electricity Purchase Agreements
E-2-07	**TERASEN**	Husky Marketing Gas EDI Base Contract
E-3-07	**TGW**	2007 to 2009 Propane Supply Amending Agreement with MP Energy Partnership
E-4-07	**BC HYDRO**	Amendments to Electricity Purchase Agreements
E-5-07	**TERASEN**	Natural Gas Supply Contracts for the period of April 1 to October 31, 2007

PARTICIPANT ASSISTANCE/COST AWARDS

F-5-06	**TERASEN**	Return on Equity and Capital Structure and the Automatic Adjustment Mechanism - $239,142.24
F-6-06	**FORTISBC**	Nk'Mip East Osoyoos Transmission Line and Substation Project - $21,995.50
F-7-06	**KINDER MORGAN/ TERASEN GAS**	Acquisition of the Common Shares of Terasen Inc. - $12,671.10
F-8-06	**FORTISBC**	2006 Capital Expenditures Plan - $4,976.19

PARTICIPANT ASSISTANCE/COST AWARDS
(Continued)

F-9-06	**FORTISBC**	2006 Revenue Requirements & Multi-Year Performance Based Regulation Mechanism - $52,865.83
F-10-06	**ICBC**	2006 Revenue Requirements, Capital Management Plan, Refinements to Certain Performance Measures, and Allocation Functions - $119,241
F-11-06	**TGVI/TGW**	2005 Resource Plan Update, CPCN propane grid system conversion, a CPCN for a natural gas pipeline - $31,206.28
F-12-06	**PNG**	2006 Revenue Requirements - $1,053.12
F-13-06	**BCTC**	CPCN for Vancouver Island Transmission Reinforcement Project - $900,000
F-14-06	**FORTISBC**	2006 Revenue Requirements and Multi-Year Performance Based Regulation Mechanism - $420.00
F-15-06	**PNG**	2006 Revenue Requirements - $7,356.00
F-16-06	**TERASEN**	CPCN for the Residential Commodity Unbundling Project - $29,661.44
F-17-06	**TERASEN**	Reconsideration of Order No. G-98-05 and Reasons for Decision Denial of Recovery of Inland Pacific Connector Development Costs - $3,420.00
F-18-06	**PNGW/PNG(NE)**	PNG and PNG(NE) Negotiated Settlement and 2006 Revenue Requirements Applications - $18,473.19
F-19-06	**FORTISBC**	CPCN for the Big White Supply Project - $9,160.35
F-21-06	**FORTISBC**	CPCN for an Automated Mapping/Facilities Management / Geographical Information System (AM/FM/GIS) Transition Project - $1,549.93
F-22-06	**BC HYDRO**	Customers Research Initiative - Time of Use Rates - $20,679.83
F-23-06	**FORTISBC/BC HYDRO/ BCTC**	Exemptions from the Act regarding the Canal Plant Agreement and Entitlement Adjustment Agreement; and Exemption regarding the CPA Subagreement; and Approval of the Canal Plant Support Agreement - $11,370.30
F-1-07	**FORTISBC**	2007-2008 Capital Expenditure Plan and 2007 System Development Plan Update - $6,350.18
F-2-07	**TGVI**	2007 Rates, 2007 Cost of Service and Revenue Deficiency Deferral Account Balance as of December 31, 2005 - $3,625.20
F-3-07	**BC HYDRO**	Review of the Fiscal 2007 and Fiscal 2008 Revenue Requirements Application - $286,323.95
F-4-07	**TERASEN**	2006 Annual Review, Mid-Term Assessment Review and 2007 Rates - $3,625.20

PARTICIPANT ASSISTANCE/COST AWARDS
(Continued)

F-5-07	BC HYDRO	Filing of Energy Supply Contracts with Alcan Inc. LTEPA Amending Agreement and Amended and Restated Long-Term Electricity Purchase Agreement - $80,864.94
F-6-07	FORTISBC	Review of the 2006 Annual Review, 2007 Revenue Requirements and Negotiated Settlement Process Application - $13,572.49
F-7-07	FORTISBC/PLP/ FORTIS PACIFIC HOLDINGS	Transfer PLP Shares and Assets to FortisBC and the Wind Up of PLP - $2,035.20

PETROLEUM

P-1-06	TERASEN PIPELINES	2005 Final and 2006 Interim Tolls on the Terasen Jet Fuel Pipeline
P-2-06	TERASEN PIPELINES	2006 Final Tolls on the Terasen Jet Fuel Pipeline
P-1-07	PLATEAU	2007 Tolls for the Northeast BC and Blueberry Crude Oil Pipelines

Commission Letters

L-12-06 BCTC

Letter verifying wording in phrase used in the Commission's Decision and Order No. G-91-05 regarding the BCTC's Transmission System Capital Plan F2006 to F2015.

L-13-06 0745848 B.C. LTD.

Letter approving a one-day time extension to an intervenor for the deadline as established by Order No. G-15-06 for the approval of the acquisition of the common shares of Terasen Utility Services Inc.

L-14-06 FORTISBC

Letter amending the process and regulatory timetable for Kettle Valley set out in Order G-115-05 to allow for another set of information requests and attaching the Commission's Information Request No. 2.

L-15-06 BCTC

Letter acknowledging receipt of BCTC letter regarding $55 minimum fee for Short Term Point-to-Point transmission services, and anticipates fee impact assessment for December 2006 rate design review report.

L-16-06 BCTC

Letter accepting BCTC's proposal to continue to evaluate redispatch service and the filing of the results of its evaluation in its Rate Review Report by December 31, 2006.

L-17-06 TGI

Letter setting out the Revised Regulatory Timetable to Order G-46-06 for the CPCN for the Residential Commodity Unbundling Program.

L-18-06 TERASEN (SQUAMISH)

Response accepting the 2003 and 2004 actual results pursuant to the Squamish Rate Stabilization Agreement.

L-19-06 PNGW

Letter seeking further specific written submissions from parties based on the evidentiary record established for the 2006 Revenue Requirements proceeding.

L-20-06 TERASEN GAS

Letter accepting the objectives outlined in the 2006 Price Risk Management Plan for the period of November 2006 to October 2009.

L-21-06 BC HYDRO

Letter approving a request for reconsideration of Order No. G-32-06 and Reasons for Decision and established a timeline for submissions on the Reconsideration Application. The Commission Panel determined that new evidence is not required. The record of the second phase of the reconsideration with the record of the F2007-F2008 Revenue Requirements proceeding, including correspondence filed by the Intervenors and BC Hydro related to the March 15, 2006 interim rate application.

L-22-06 BC HYDRO

Letter consenting to the forgiveness of debt to a customer.

L-23-06 TGVI

Letter accepting the 2006 Price Risk Management Plan (PRMP) Application for the period from November 2006 to October 2009.

L-24-06 TERASEN GAS

Letter accepting the Second Quarter 2006 Gas Cost Report and recommendation that no changes be made to the natural gas rates for all rate schedules for the Lower Mainland, Inland and Columbia service areas.

L-25-06 PNGW

Accepted the Annual Gas Contracting Plan for November 2006 to October 2007 and Price Risk Management Plan for the November 2006 to October 2008 period. The Annual Contracting Plan and Price Risk Management Plan and Appendix A will be held as confidential.

L-26-06 BC HYDRO

Letter regarding the filing of Information Responses by BC Hydro for the regulatory review of the 2006 Integrated Electricity Plan, Long-Term Acquisition Plan and the F2007/2008 Revenue Requirements Application and outlining alternatives for filing of Information Requests for the two applications.

L-27-06 TGVI/TGW

Letter requesting comments from registered intervenors on the TGVI and Terasen Whistler Application for Reconsideration of the Commission's May 19, 2006 Decision and Order No. G-53-06 as it relates to the TGVI IP Pipeline Cost Risk Sharing Mechanism.

L-28-06 TGVI/TGW

Established an Oral Public Hearing and Regulatory Agenda for the reconsideration of the condition regarding the IP Pipeline Cost Risk Sharing Mechanism contained the Commission's May 19, 2006 Decision and Order No. G-53-06.

L-29-06 TGVI

Letter accepting for filing the Second Quarter 2006 Gas Cost Report and accepts TGVI's recommendation that customer rates remain unchanged for the period July 1 to September 30, 2006 for the Vancouver Island and the Sunshine Coast service areas.

L-30-06 TERASEN/TGVI/TGW

Letter clarifying conditions regarding the location of personnel, data, and servers outside of BC contained in Commission Order No. G-116-05 and the November 10, 2005 Kinder Morgan, Inc. Decision Section 7.2.3.

L-31-06 BC HYDRO

Letter approving request for forgiveness of debt for the Tyee Timber Products Ltd. in the amount of $2,391.88.

L-32-06 TGVI

Letter confirming that the Commission takes no issue with TGVI's intended approach for repayments under the Pacific Coast Energy Pipeline Agreement and the repayment of the Canada Repayable Contribution in the amount of $6,222,597 on June 30, 2006.

L-33-06 TERASEN GAS

Accepted the filing of the confidential 2006/07 Midstream Annual Contracting Plan based on the Essential Services Model, and directed TGI to provide support for its peak day methodology and peak day forecast in relation to its annual demand forecast in the upcoming Resource Plan

L-34-06 TGW

Accepted the 2006/07 Winter Hedge and Storage Plan but directed Terasen Whistler to provide evidence that the storage purchases were consistent with summer spot prices and winter fixed prices at the time of the transaction are consistent with the propane forward prices and to file a report by May 2007 to identify financial outcomes of the plans from 2004 to 2007 and an analysis that the objectives have been met.

L-35-06 TERASEN GAS

Accepted the Terasen Gas 2006/07 Winter Hedge and Storage plan for the Revelstoke Propane Service Area, but directed Terasen Gas to provide evidence that the storage purchases were consistent with summer spot prices and winter fixed prices at the time of the transaction are consistent with the propane forward prices.

L-36-06 TGVI

Accepted the 2006/07 Annual Gas Contracting Plan and the major components as outlined in the confidential filing.

L-37-06 TERASEN GAS

Letter to J. Binette addressing the issue of the regulatory timetable for the Residential Unbundling Program and CPCN proceeding, denying his request that the submission filed on June 28 be admitted as evidence.

L-38-06 BC HYDRO

Accepted that the Second Procedural Conference for the F2007/F2008 Revenue Requirements and 2006 Integrated Electricity Plan/Long Term Acquisition Plan Proceeding should proceed in accordance with Order No. G-59-06.

L-39-06 BCTC

Granted BCTC relief from the confirmation timelines adopted by FERC Order No. 676.

Granted BCTC relief from the provisions for Queue Hoarding and Flooding as part of the December 31, 2006 filing on OATT rate design matters.

L-40-06 SILVERSMITH

Letter in response to inquiry by Silver Ridge Community Club (SRCC), indicating that the community of Sandon could not be considered for service from BC Hydro.

L-41-06 SILVERSMITH

Letter to Silversmith Power & Light Corporation regarding the provision of electrical service to Klondike Silver Corporation.

L-42-06 TERASEN GAS

Letter denying Terasen Gas' request for reconsideration of Commission Letter No. L-20-06 wherein the Commission denied an amendment to the definition of a hedging term to include one year, as it failed to substantiate sufficient grounds to warrant a reconsideration under the reconsideration criteria.

L-43-06 TERASEN GAS

Suspended the review of the CPCN Application for Mission Intermediate Pressure System Upgrade until Terasen Gas files a report on the Construction Feasibility Assessment and update costs estimates.

L-44-06 TERASEN GAS

Letter commenting on the Equal Payment Plan and High Bill Estimates Report with recommendations to ensure more effective communication with customers.

L-45-06 BCTC

Letter for with attached draft Agenda for Network Economy and OATT regarding Workshop No. 2 for comments.

L-46-06 SILVERSMITH

Letter approving the form of contract for Silversmith to provide service to the Tin Cup Cafe, and to determine the amount of security deposit from the commercial client.

L-47-06 UNOCAL

Letter advising that Unocal, as owner/operator of the Aitken Creek Storage facility, falls within the definition of a public utility under the Utilities Commission Act and is therefore subject to BCUC regulation.

L-48-06 BC HYDRO

Letter establishing a Negotiated Settlement Process and Workshop for the review of the Conservation Research Initiative Time of Use Program Application. A Regulator Timetable with key filing dates was also issued.

L-49-06 BCTC

Letter directing the Alberta Coalition to respond to BC Hydro's information request in the Network Economy and Open Access Transmission Tariff proceeding

L-50-06 TERASEN (SQUAMISH)

Letter accepting the Third Quarter 2006 Report recommending customer rates remain unchanged for all natural gas rate schedules, as of October 1, 2006.

L-51-06 TERASEN GAS

Letter accepting the Third Quarter 2006 Report recommending customer rates remain unchanged for all natural gas rate schedules for Lower Mainland, Inland and Columbia Service Areas as of October 1, 2006.

L-52-06 TERASEN GAS

Letter accepting the Third Quarter 2006 Report recommending customer rates remain unchanged for all natural gas rate schedules in the Fort Nelson Service Area as of October 1, 2006.

L-53-06 PNG(NE)

Letter accepting the Third Quarter 2006 Report on Gas Supply Costs and Gas Cost Variance Account Balances, and recommending customer rates remain unchanged as of October 1, 2006.

L-54-06 BC HYDRO

Letter approving BC Hydro's Diesel Generation Costs, with rates adjusted for the period of July 1, 2006 to June 30, 2007 for Tariff Supplements No. 7, No. 8 and No. 39 as follows:

- Electric Tariff Supplement No. 7 - Interruptible Electricity Supply Agreement with Central Coast Power Corporation at an energy charge of 23.44 cents per kWh; and
- Electric Tariff Supplement No. 8 - Interruptible Electricity Supply Agreement with Queen Charlotte Power Corporation at an energy charge of 23.44 cents per kWh; and
- Electric Tariff Supplement No. 39 - the Stikine Nation at an energy charge of 36.70 cents per kWh.

L-55-06 BC HYDRO

Letter extending the filing deadline for submissions in the Conservation Research Initiative - Residential Time of Use Rates proceeding.

L-56-06 BCTC

Letter to Sea Breeze Victoria Converter Corporation ("Sea Breeze") in response to their inquiry regarding a reconsideration of the VITR Decision, and outlining the Commission's process for reconsiderations.

L-57-06 BC HYDRO

Letter approving BC Hydro's application to remove from Rate Schedule 1880 the requirement for a Low Load Hour Reference Demand.

L-58-06 MARAUDER RESOURCES WEST COAST INC.

Letter approving a time extension for filing Intervenor evidence outlined in Commission Order No. G-93-06 for the Common Carrier/Common Processor Orders Applications.

L-59-06 MARAUDER RESOURCES WEST COAST INC.

Letter establishing the Revised Regulatory Timetable for the Applications for Common Carrier/Common Processor Orders to Canadian Natural Resources Ltd. and Pioneer Natural Resources Canada Ltd., Velma Field, Bluesky Pool. Approved the request from Marauder to file four documents as evidence in the proceedings.

L-60-06 TGVI

Letter accepting TGVI's Third Quarter 2006 Gas Cost Report for information and accepts the recommendation that customer rates remain unchanged for the period October 1 to December 31, 2006 for the Vancouver Island and Sunshine Coast service areas.

L-61-06 TERASEN GAS

Letter accepting the change to the Fuel Gas Ratios and rates for Terasen Gas and accepts the ratios for Station 2 and AECO/NIT of 2.2% and 1% respectively. Terasen is required to forward a copy of letter approving fuel rate change to each gas marketer.

L-62-06 STARGAS

Letter responding to Stargas' intention to lock in gas commodity prices for 80 percent of the purchase volumes for three to five years and comments on the hedging strategy in current market conditions. Directed Stargas to file any amendments to its energy supply contract with Direct Energy and report on the locked-in price and quantity. If the locked-in gas price is different from its forecast of gas prices, Stargas is requested to recalculate and file updated gas commodity charges for review in the F2007 Application to Alter Rates.

L-63-06 BC HYDRO

Letter approving the request for amendment to its CBL and Load Determination Guidelines to alter the notice requirement from six months to two months. BC Hydro is requested to file the amended CBL Guidelines as a Tariff Supplement.

L-64-06 TERASEN JET FUEL

Letter approving a two-week extension to Order P-1-06, from October 16, 2006 to October 30, 2006 and the November 1, 2006 deadline to November 15, 2006.

L-65-06 BCUC

Letter responding to email inquiry from an individual concerning the release of personal information, noting that documents submitted to the Commission, in a public hearing for which public access is provided by a tribunal, are outside the privacy provisions of the Freedom of Information and Protection of Privacy Act.

L-66-06 BCTC

Letter noting BCTC's revised cost estimates in millions of nominal dollars for P10 for $241.5M, P50 for $248.80M and P90 for $259.0M. Approved the foregoing P10 and P90 estimates as the final estimates for the project, as required by the VITR Decision and Order C-4-06.

L-67-06 MARAUDER RESOURCES WEST COAST INC.

Letter to address matters raised at the November 1, 2006 Pre-Hearing Conference from Counsel for Canadian Natural Resources Ltd and the parties at the Hearing. The Commission declined to address jurisdiction of the Commission on the production allocation until the Hearing. As requested by parties at the Hearing, the determination on tariffs or fees that will apply for service provided by a Common Carrier or Common Processor will be made in its Decision at the conclusion of the proceeding.

L-68-06 TERASEN GAS

Letter directing interested stakeholders to provide their written comments on Terasen's Residential Unbundling Program and five elements as follows: Customer Education Program; Confirmation Letter; Dispute Resolution Process; Changes to the Code of Conduct for Gas Marketers and Changes to Rate Schedule 36. Terasen is further directed to respond to stakeholder comments.

L-69-06 BC HYDRO

Letter requesting comments from Intervenors and Interested Parties concerning proposed BC Hydro CBL Adjustment Tariff Practices. Establishes timeline for submissions, and BC Hydro responses.

L-70-06 TERASEN/TGVI

Letter accepting the 2006 Resource Plans for Terasen and TGVI including five-year capital plans and statements of facilities expansion, to be filed as separate CPCN applications for future projects.

The Commission advised that the filing of the TGVI Resource Plan does not signify acceptance or approval of TGVI's preference to advance the Mt. Hayes LNG project and will review in due course a CPCN, if filed.

Directed Terasen to file its updated 2008 Resource Plan and associated Action Plans by the end of the first quarter of 2008.

L-71-06 MARAUDER RESOURCES WEST COAST INC.

Letter requesting participants to make submissions on Canadian Natural Resources Ltd. request for leave to have letter admitted as evidence by November 21, 2006.

L-72-06 FORTISBC

Letter confirming FortisBC's compliance with conditions set out in the Decision and Order and a CPCN was approved for Option 2 on the Nk'Mip Transmission and Substation Project. Actual project expenditures may be subject to a formal review following the project.

L-73-06 BCTC

Letter responding to Karsten Holmsen denying the Application for Reconsideration and concludes that the impact of the Power Line Carrier on EMF readings would not be material to the VITR Decision.

L-74-06 MARAUDER RESOURCES WEST COAST INC.

Letter denying application for leave to admit Canadian Natural Resources Limited's November 17, 2006 letter into the evidentiary record.

L-75-06 BCUC

Letter establishing the appropriate ROE automatic adjustment mechanism results in an allowed return on common equity of 8.37 percent for a low-risk benchmark utility in 2007.

L-76-06 BC HYDRO

Letter from the District of Kitimat for leave to file additional evidence and intention to convene a witness panel to defend its evidence in the hearing for the filing of Energy Supply Contract with Alcan Inc., LTEPA Amending Agreement, Amended and Restated Long-Term Electricity Purchase Agreement. The Commission established a Procedural Conference on Wednesday, November 29, 2006 to hear the District's leave application and established that the 2006 Integrated Electricity Plan and Long-Term Acquisition Plan proceeding will be adjourned while the District's leave application is heard.

L-77-06 MARAUDER RESOURCES WEST COAST INC.

Letter approving Marauder's request for an extension to December 5, 2006 to file its Reply Argument for the Common Carrier/Common Processor Orders to Canadian Natural Resources Ltd. and Pioneer Natural Resources Canada Ltd. Velma Field, Bluesky Pool Application.

L-78-06 BCUC

Letter to all major utilities requesting, whenever possible, draft form of the Order proposed to the Commission and draft Procedural Order, if applicable.

L-80-06 BCTC

Letter acknowledging receipt of the Tariff Enforcement, Monitoring and Reporting Review in compliance with a directive of the Commission's OATT Decision. Upon completion on certain recommendations of the Review by June 30, 2007, BCTC is requested to file a status report on this work by July 13, 2007.

L-81-06 TGVI

Letter acknowledging receipt and acceptance, for informational purposes, of the 2006 Fourth Quarter Gas Cost Report.

L-82-06 ICBC

Letter acknowledging ICBC's intention to file revenue requirements and rate design applications, in early 2007 pursuant to Order G-86-06 and Decision of July 13, 2006.

Letter also provides Commission comments on: IT Capital spending; Road Safety Action Plan; Revision of Owner's Certificate to Disclose Non-insurance Costs; Quarterly Reporting of MCT.

Letter also acknowledges receipt of ICBC's confidential filing of the Capital Management Plan for the Total Corporation and the Optional Business on November 10, 2006. The Commission has inquired why ICBC feels that quarterly MCT estimates would not be useful or reliable as a management too to assist in timely assessment of changes in rate indications and planning initiatives to ensure compliance with MCT regulatory requirements and management targets.

L-83-06 TERASEN GAS

Letter acknowledging the June 20, 2006 filing of the Application for a CPCN for a Seismic Upgrade of the Mission Intermediate Pressure System. The Commission advised that the review of the Application would be suspended until Terasen filed a report on the results of its Construction Feasibility assessment already underway and an updated cost estimate, which was filed with Appendix F on a confidential basis. The revised cost estimate for the Project is $8.543 million. Directed any stakeholders to provide submissions or other comments by January 19, 2007 and Terasen to respond by January 26, 2007.

L-84-06 BCTC

Letter approving the report filing requirement extension for the Negotiated Settlement of the F2007 Transmission Revenue Requirement.

L-85-06 CENTRAL HEAT DISTRIBUTION LIMITED

Letter responding and identifying that Central Heat Distribution Limited is a regulated utility under Section 38 of the Act.

L-1-07 FORTISBC

Letter establishing a revised Regulatory Timetable arising out of the January 9, 2007 Pre-Hearing Conference will be issued. Established that the Intervenors Information Request 2 will be due on January 19, 2007 and that FortisBC's responses will be due on January 31, 2007.

L-2-07 BC HYDRO

Letter approving CBL adjustments for Howe Sound Limited Partnership, and Talisman Energy Canada.

L-3-07 SILVERSMITH

Letter responding to complaint dated November 14, 2006 regarding BC Hydro servicing an industrial customer's mining operation within Silversmith's service area and request for an Order to cease its construction and connection. BC Hydro confirmed that such service was in accordance with its approved Electric Tariff and its Terms and Conditions of Service. BC Hydro noted that it had provided prior service under Section 28 of the Act, to predecessor operators of the mine. The Commission reviewed the complaint in the public interest and denied Silversmith's request to Order BC Hydro to cease its construction and connection to Klondike.

L-4-07 TERASEN GAS

Letter accepting for filing the Price Risk Management Plan Application for the period of November 2006 to October 2007. On January 10, 2007, Terasen applied to change the electric equivalent commodity component (net of Midstream costs) and the Commission approved the commodity component of the electric equivalent from $10.15 Cdn/GJ to $10.85 Cdn/GJ, effective February 1, 2007.

L-5-07 BC HYDRO

Letter requesting BC Hydro's assessment of the winter storm damage and its power outages, the time required to restore service and costs associated. Based on their assessment, the Commission requested recommendations to lessen damage to its infrastructure from future storms and recommendations to provide more timely information to those without power, with cost estimates of implementation of these recommendations by May 31, 2007.

L-6-07 UNOCAL

Letter approving an extension to the time to respond to the Information Requests identified in its January 24, 2007 letter, until the Commission responds to Unocal's request that it not be required to provide commercially sensitive information.

L-7-07 CORIX - SONOMA PINES

Directed Corix to refile the Electric Tariff with an increase in rates of 1.64 percent and the 2 percent Deferral Account Rate Rider for the Flow-through Rate Adjustment at Sonoma Pines, effective February 1, 2007. Corix is to also file within 30 days of this letter the calculated refund to customers for the difference between the 1.54 percent and the interim 4.65 percent rate increase for the period from September 1, 2006 to January 31, 2007 plus interest at the average prime rate of the principal bank with which Corix conducts its business.

L-8-07 CORIX - SUN RIVERS

Approved a Flow-through Rate mechanism for electricity rates at Sun Rivers, effective February 1, 2007, subject to the filing of the amended rates within 10 business day of the effective date and subject for review by the Commission. Approved a permanent rate increase of 1.54 percent, effective July 1, 2006, an increase of 1.64 percent above the April 1, 2006 rates, and a 2 percent Deferral Account Rate rider, both effective February 1, 2007. Corix is to also file within 30 days of this letter the calculated refund to customers for the difference between the 1.54 percent and the interim 4.65 percent rate increase for the period from September 1, 2006 to January 31, 2007 plus interest at the average prime rate of the principal bank with which Corix conducts its business.

L-9-07 BC HYDRO

Letter to IPPBC denying request to reconsider the funding reduction and increase the award to the amount applied for by $14,840 for their participation in the F2007 and F2008 Revenue Requirements Application.

L-10-07 BC HYDRO

Letter to ESVI denying request to reconsider the funding reduction and increase the award to the amount applied for in their participation in the F2007 and F2008 Revenue Requirements Application.

L-11-07 TERASEN GAS

Letter setting out the start date for Gas Marketers to begin their advertising, marketing and selling activities to residential customers on May 1, 2007 for the Residential Unbundling Project.

L-12-07 BC HYDRO

Response to Commission letter inviting comments on matters arising from the Provincial Energy Plan ("Energy Plan II") and the Commission Panel determined that the Energy Plan II should not form part of the 2006 IEP/LTAP proceeding or record. Also, advised that the need for an Oral Phase would be determined by the Commission after examining BC Hydro's Final Argument.

L-13-07 ICBC

Letter responding to February 22, 2007 correspondence to Commission Letter No. L-82-06 and the Decision of July 13, 2006 issued concurrently with Order No. G-86-06 approving ICBC's:

- Customer Accounting Allocator
- Alternatives to Broker Distribution
- ICBC proposal for Quarterly Reporting , and
- ICBC's proposal for reporting on Road Safety Costs

L-14-07 KYUQUOT

Letter responding to a complaint from Ka:'yu:'k't'h/Che:k:tles7et'h First Nations filed January 19, 2007, denying the request to revoke the CPCN held by KPL.

L-15-07 TERASEN GAS

Denied Terasen's request for the change to the normal accounting rules for project development costs incurred to date to be recovered by its customers. Directed to complete its filing of reply comments or to advise the Commission if it is withdrawing its CPCN Application for the Mission Intermediate Pressure System Upgrade by Friday, March 9, 2007.

L-16-07 SILVERSMITH

Response to Silversmith Power & Light Corp. on Service Area Encroachment by BC Hydro and the establishment for the first phase assessment for the Reconsideration Application.

L-17-07 UNOCAL

Letter responding to Unocal's request to strike document prepared by Mr. Wightman and establishment of timetable for participants to file comments related to the evidence submitted.

L-18-07 TERASEN GAS

Letter requesting Gas Marketers to review the March 6 and 9 applications and provide comments on the updated Rate Schedules 1U, 1X, 2X, 3X and Code of Conduct by Monday, March 26, 2007 and for Terasen Gas to respond to comments by April 2, 2007.

L-19-07 TERASEN GAS

Letter acknowledging receipt of the First Quarter 2007 Gas Cost Report and accepting the recommendation that customer rates remain unchanged for the Fort Nelson service area.

L-20-07 TERASEN GAS

Letter acknowledging receipt of the First Quarter 2007 Gas Cost Report and accepting the recommendation that customer rates remain unchanged for the Lower Mainland, Inland and Columbia service areas.

L-21-07 TERASEN GAS

Letter acknowledging receipt of the First Quarter 2007 Report and accepting the recommendation that no changes be made to the propane reference price for the Revelstoke service area.

L-22-07 TGW

Accepted for filing the First Quarter 2007 Gas Cost Report for Propane Rates and accepts Terasen Gas (Whistler)'s recommendation that customer rates remain unchanged and there be no change to Rate Rider A.

L-23-07 UNIVERSAL ENERGY CORPORATION

Letter in response to Universal's request to streamline the enrollment process. Advised Universal of the two separate actions the customer must consider and on two distinct levels. The signed Notice grants the marketer customer authorization for the release of gas supply information from Terasen Gas Inc., while the gas supply application contract is between the customer and the gas marketer to set terms for the delivery of gas to the customer's premises. Commission approved placement of the Notice on the reverse side of the customer contract application.

L-24-07 TERASEN GAS

Letter responding to Terasen Gas' Report on the Seymour Place, North Vancouver, BC, Line hit dated March 3, 2007, requesting clarification and additional information on the actions and future plans to improve customer communications. Directed Terasen to respond by April 30, 2007.

L-25-07 TGVI

Accepted the filing of its First Quarter 2007 Gas Cost Report and accepts recommendation that customer rates remain unchanged for the period April 1, 2007 to June 30, 2007 for the Vancouver Island and the Sunshine Coast service areas.

L-26-07 HVES

Letter requesting information on the application for approval of the Commission for the purchase and sale of utility assets or shares by April 15, 2007.

L-27-07 BC HYDRO

Letter to Enerpro Systems regarding Bulk Power Supply to New Project and Resale of Electricity.

Publications

Copies of the following publications are available upon request or from the Commission's web site at *http://www.bcuc.com* :

- Utilities Commission Act, R.S.B.C. 1996, Ch. 473
- Introduction to the BC Utilities Commission - what it is, what it does, and why (pamphlet)
- Public Hearing Process - why we have public hearings and how to participate (pamphlet)
- Complaint Handling Procedures (pamphlet)
- Understanding Utility Regulation: A Participants' Guide to the British Columbia Utilities Commission
- Retail Markets Downstream of the Utility Meter Guidelines
- Resource Planning Guidelines
- Negotiated Settlement Procedures
- Guidelines for Certificate of Public Convenience and Necessity Applications
- Setting Gas Recovery Rates and Managing the Gas Cost Reconciliation Balance Guidelines

Copies of the following documents issued by the Commission are also available upon request or from the Commission's web site:

- Orders
- Decisions
- Regulatory Agendas
- Annual Reports
- Participant Assistance Cost Award Guidelines - Revised
- Service Plans
- Return on Common Equity

Commission Contacts

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Web Site

Internet users are invited to visit the Commission's web site at *http://www.bcuc.com*.

Glossary of Terms

allowance for funds used during construction (AFUDC)	The amount a regulated entity is allowed to earn to recover its cost of financing assets under construction. AFUDC is equal to the average cost of the construction work in process, times a financing rate which is usually equal to the entity's cost of capital rate. AFUDC is not recovered immediately through rates; it is included in the cost of the related assets and recovered in future periods through the depreciation charge.
allowed rate of return	The rate of return a regulated entity is allowed the opportunity to earn. When applied to the rate base, the allowed rate of return provides an amount equal to the cost of financing the investment required for regulated operations. The financing costs include both the cost of debt and the cost of equity.
alternative dispute resolution (ADR)	See "negotiated settlement process".
application for reconsideration	An application to have the Commission reconsider, vary, or rescind a decision or order previously issued.
burnertip rate	The rate charged for gas at the customer's meter, including the delivery charge, fixed monthly charge and gas commodity charge. It is usually calculated as an annual average rate based on typical annual consumption for the customer class.
capital cost	The fixed costs associated with the construction of an energy facility, including land and siting costs, material and labour costs, allowance for funds used during construction, and other applicable overhead charges.
cogeneration	The generation of electric power in conjunction with the use of steam in an industrial or space heating process, using waste heat from one process to drive the other. Cogeneration is more efficient compared to traditional thermal generating plants.
commercial commodity unbundling (also see 'residential commodity unbundling')	the program provides commercial customers (Rates 2, 3 and 23) of Terasen Gas Inc. with the opportunity to enter into a natural gas commodity supply arrangement with a licensed gas marketer.
common carrier(s)	An energy transportation provider, typically a crude oil or natural gas pipeline which provides service on a non-discriminatory basis to all potential shippers.

cost of service	The total cost of providing service, including operating and maintenance expenses, depreciation, amortization, taxes and cost of capital. The cost of service is also known as "revenue requirements".
cost of service study	A study to determine the cost of service by class of service and/or customer. These studies are used to help determine how the revenue requirements are to be allocated among the rates for the various services/customers.
cross subsidization	Increasing the rates for one service or class of customers so the rates of another service or class of customers can be reduced below cost.
debt-equity ratio	The ratio of money borrowed by the utility to money invested in the utility by shareholders. There is a theoretical optimum for this for each utility.
deferral account	An account that records the deferral of a cost or revenue until a future date. A deferred asset account records a cost that would normally be expensed and recovered in the current period, but which is to be expensed or recovered in a future period. A deferred liability account records an amount recovered in the current period, to cover costs of providing service in a future period.
demand-side management (DSM)	Efforts to modify customer demand patterns by either increasing end-use energy efficiency or reducing fluctuations in energy demand.
distributed generation	Generation that is relatively small scale and located close to the final customer.
distribution system	The portion of an electric or natural gas transportation infrastructure that connects end-users to bulk production or transportation facilities.
energy losses	Energy lost during transportation from suppliers to end-users. Energy losses on a typical natural gas system are around 1 to 3 percent. Energy losses on a large electric system are around 5 to 8 percent.
export sales	Bulk sales of electricity or natural gas outside of British Columbia.
firm capacity	The amount of instantaneous energy production or transportation capacity that is available at a defined time.
firm energy	The amount of energy that is available over a defined period of time.

fixed cost	Costs associated with an energy production or transportation facility which must be paid whether the plant operates or not. Fixed costs generally include capital costs, contract demand charges and operating costs which are committed or unaffected by production levels.
gas cost reconciliation account (GCRA) **gas cost variance account (GCVA)**	A deferral account which accumulates the variance in actual gas costs from the actual gas revenue recovered in customer rates.
green power rates	Rates changed for electricity service from generators which do not pollute or damage the environment. Different groups define "green" power with various levels of restriction. For example, a run of the river hydro plant may be included while a new dam and reservoir may be excluded.
hydroelectric energy, hydroelectricity	Electric energy produced by water falling through a turbine generator. In British Columbia, hydroelectricity is the dominant form of electric energy production.
incentive regulation	Regulation which rewards utilities for cost savings or other actions which are desired by ratepayers.
independent power producers (IPPs)	Non-utility electric energy generators. Until the early 1970s, independent power producers were rare. With recent changes in utility technology and economics, they have become more common. Many issues relating to restructuring of the utility industry involve the role of independent power producers in a deregulated energy market.
information requests	Questions posed to those who have filed evidence for a hearing, pertaining to the evidence they have filed. Information requests and their responses are made prior to the hearing, in writing, and become evidence in the hearing. Information requests are also referred to as "interrogatories".
interim rate	A rate which is put in place until the regulator can determine the final rates. If the final rates are lower than the interim rates, customers are generally refunded their over-contributions with interest for the period of time the interim rates existed.
interruptible energy, interruptible service	Energy flow which can be reduced or cut off on relatively short notice when needed by other customers. Generally, interruptible energy is sold by contract at a reduced price or without fixed charges to end-users, with specific terms and conditions governing interruptibility rights.
investor-owned utility	A utility owned by private shareholders.

joule	A measure of energy or work done equal to a force of 1 newton applied through a distance of 1 metre. One gigajoule (one billion joules) is roughly equal to energy from 915 cubic feet of natural gas, 29 litres of gasoline, or 278 kWh of electricity.
kilowatt-hour	1,000 watt-hours.
load	The amount of energy required by end-users on a given portion of the system at a given time. Load originates primarily at customers' energy-consuming equipment.
load growth	Increase in the demand for energy.
load-resource balance	The point at which demand for energy exactly equals energy production.
local distribution company (LDC)	A utility (natural monopoly) that owns and operates the local delivery network for commodities such as electricity, natural gas and water. In a vertically integrated utility, local delivery is just one of several functions (e.g., BC Hydro). Thus, a LDC only exists when the delivery function has been vertically de-integrated (e.g., Terasen Gas).
market-based rates	Prices set freely in a competitive market, rather than prices based on costs of production.
megawatt (MW)	1,000 kilowatts, or 1,000,000 watts.
natural monopoly	An industry whose market output is produced at the lowest cost when production is concentrated in the hands of a single firm. The term utility is sometimes applied synonymously with natural monopoly.
natural gas marketer (NGM) (also see 'residential/commercial commodity unbundling')	Under the Commodity Unbundling program, natural gas marketers are independent businesses that offer alternative gas supply choices such as different terms and conditions to customers. To be able to sell gas under the Commodity Unbundling program, gas marketers must be licensed by the British Columbia Utilities Commission and adhere to the Code of Conduct for Gas Marketers (see http://www.bcuc.com/NaturalGasMarketers.aspx)
negotiated settlement process (NSP)	A less formal process where the applicant, interested parties and Commission staff meet to review and attempt to negotiate a settlement on some or all aspects of an application. NSP is used to complement or as an alternative to the traditional regulatory process (e.g., oral public or written hearings) in an effort to save time and reduce the cost of utility regulation while achieving sound regulatory outcomes.

peaking gas	Gas which is stored or purchased under contracts which will allow delivery during the periods of highest demand.
performance-based rates	See "incentive regulation".
petajoule (PJ)	10^{15} or one quadrillion joules.
quasi-judicial	The powers and processes of a regulator which are similar to the courts.
rate base	The amount of investment in regulated operations on which a regulated entity is allowed to earn a return. It usually consists of the depreciated value of the plant in service required for regulated operations plus an allowance for working capital and deferred assets.
rate design	The methodology for apportioning the revenue requirement to the various classes of utility customers.
rate rider	A specific charge on a customer's bill to recover a specific cost over a fixed period of time.
ratepayers	The customers of a utility.
rates	The prices at which regulated services are provided.
real time pricing (RTP)	Variable pricing of electricity in which the price depends on the cost or market value of providing electricity during each time segment. Applying RTP to electricity service results in customer rates that vary according to the specific utility costs at various times.
residential commodity unbundling (also see 'commercial commodity unbundling')	The program provides residential customers (Rate 1) of Terasen Gas with the opportunity to enter into a natural gas commodity supply arrangement with a licensed gas marketer.
retail competition	Permitting end-use energy customers to contract directly with energy suppliers for their electricity or natural gas commodity, while continuing to deal with transmission and distribution utilities for the commodity delivery. The energy commodity is generally sourced in a competitive marketplace.
return on equity (ROE)	The percentage return allowed for the invested equity of utility shareholders.
revenue requirements	See "cost of service".
self-generation	Generation of electricity by a customer for part or all of its own load requirements.

spot market	A real-time commodity market for immediate sale and delivery of energy products.
time-of-use rates	A rate structure that prices electricity at different rates, reflecting the changes in the utility's costs of providing electricity at different times of the day or year.
transmission grid, transportation grid, transmission system	An interconnected system of high voltage energy transportation lines and associated facilities used for bulk transfers of electricity. A high-pressure pipeline used for bulk transfers of natural gas is also referred to as a transmission system.
watt	The power required to do work at the rate of one joule per second.
watt-hour	One watt-hour is equal to 3,600 joules of energy.
wheeling	The service of delivering electricity across a transmission system for a third party.
wholesale markets	Wholesale electricity markets are comprised of transactions between buyers and sellers of bulk power at points on a high voltage transmission system.
wholesale rates	The unit prices charged for bulk energy services.